Chapter 3  
Hong Kong As a British Colony: From the 1980s to the Mid-1990s

The establishment of the Hong Kong Special Administrative Region (HKSAR) not only signals the end of Hong Kong’s colonial history, but also provides a turning point for Hong Kong to adopt a much needed new governing style and philosophy. Unless the HKSAR government makes changes in its governing approach, it will not be able to cope with governance problems and political disputes left over by the British colonial administration. A study of major political events happened in Hong Kong’s colonial past is beneficial to our understanding of the HKSAR’s current political context.

Undoubtedly, without an examination of Hong Kong’s historical political events, we cannot appreciate why the Hong Kong people behave in certain ways but not in others. For example, by examining the 1989 Tiananmen Square Incident and its impacts on Hong Kong, we understand why there was a deep sense of mistrust between the Hong Kong people and the Chinese government in the last few years of Hong Kong’s transition period. Likewise, by reviewing events such as the Sino-British negotiations on Hong Kong’s future, and the various debates over the pace and course of Hong Kong’s political reform, we see why Hong Kong became increasingly politicized as 1997 approached.

In this chapter, I first analyze significant early developments that aroused the Hong Kong citizens’ political awareness. Then, I examine debates over Hong Kong’s political reforms and their impacts on the Hong Kong society. I also discuss major political events that led to a crisis of confidence among the people of Hong Kong in the early 1990s. Lastly, I assess effects of Governor Chris Patten’s political reform on Hong Kong and its people.

Significant Early Developments

Two political events made the debates over governing arrangements that occurred in the mid-1980s possible. These two events were reforms in Hong Kong’s district administration and
the Sino-British negotiations on Hong Kong’s future. In essence, by creating 18 District Boards and opening one-third of their membership for direct election, the former incident gave the people of Hong Kong the first taste of electoral politics. As for the negotiations, they greatly stimulated the Hong Kong citizens’ political awareness. The fact that a communist regime would take over Hong Kong’s sovereignty on 1 July 1997 forced the Hong Kong people to think about politics. They realized that it was in their best interest to participate in public affairs in a more active manner.

**District Administration Reform (1980-82)**

Hong Kong entered the 1980s with a major reform in its district administration.1 In June 1980, the government issued a Green Paper in which it stated that the district administration system should be reformed to accommodate a greater degree of citizen participation in community affairs. According to the government, this reform would result in “better coordination and responsiveness of administration at District level [and] greater participation of the inhabitants of each District in it.”2 However, the reform was probably triggered by the government’s worry “over the widening creditability gap between the government and the public.”3 In fact, the proliferation of social protests throughout the 1970s4 made the government recognize that a system had to be instituted to allow the people a greater say in the management

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1. Before the district administration reform, there were various constitutional reform efforts, none of these attempts was successful, however. Readers who are interested in details of these efforts, see G. B. Endacott. *Government and People in Hong Kong, 1841-1962: A Constitutional History.* Hong Kong: Hong Kong University Press, 1964, chs. 11-12; Norman Miners, “Plans for Constitutional Reform in Hong Kong, 1946-52,” *The China Quarterly* No.107 (September 1986):463-482; and Steve Tsang, *Democracy Shelved: Great Britain, China, and Attempts at Constitutional Reform in Hong Kong, 1945-1952.* Hong Kong: Oxford University Press, 1988.


4. As Benjamin K. P. Leung points out, there were 188 cases of urban social protests in the decade 1970-9, more than five times the number (31 cases) in the preceding decade. (Benjamin K. P. Leung. *Perspectives on Hong Kong Society.* Hong Kong: Oxford University Press, 1996), note 3, p.179.
of community affairs. As Lo Shiu-hing suggests, the colonial authorities hoped that establishment of District Boards might encourage pressure groups to change their lobbying tactics from street protests to a more peaceful manner of interest articulation.\(^5\)

In 1981 the government decided to divide Hong Kong into 18 districts and formed a District Board (DB) in each of these districts. The DB comprised both unofficial and official members.\(^6\) Unofficial members included directly elected members and appointed members, and chairmen of the Rural Committees\(^7\) and members of the Urban Council.\(^8\) The role of the DBs was, and still is, mainly advisory. Each District Board was supposed to advise the government on matters affecting the well-being of people living or working in the district. Moreover, when public funds were made available, DBs were charged with the responsibility to undertake minor environmental improvement projects and to promote recreational and cultural activities within the district. Although DBs did not carry extensive formal policy-making power, their creation was an important step in Hong Kong’s political development.

Before 1982, the only elected body in Hong Kong was the Urban Council. However, its electoral franchise was highly limited. By contrast, the DBs had a much broader electoral franchise. The right to vote in DB elections was given to all those who had lived in Hong Kong for seven years, were over 21 years of age, and who made the effort to register as voters. As Norman J. Miners points out, this was a “radical departure for Hong Kong, where previously the

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\(^6\) Official members were representatives of government departments which involved deeply in local affairs, e.g. City District Commissioners. After 1985, the District Boards were composed of unofficial members only. But, government officials continued to attend District Board meetings to explain government policies to District Board members and listen to what they have to say on the government policies.

\(^7\) There are 27 Rural Committees in Hong Kong. Members of the committees are village representatives elected or appointed by heads of villages in the New Territories. These committees acted as spokespersons for local public opinion, and sometimes arbitrating in clan and family disputes. For details, see Norman J. Miners, *The Government and Politics of Hong Kong*. 5th ed., Hong Kong: Oxford University Press, 1995, pp.177-180.

\(^8\) The Urban Council is a statutory and financially autonomous body responsible for providing municipal services as well as cultural and recreational facilities throughout the urban areas. The elected Urban Councillors automatically have seats on urban District Boards in whose area their constituency lies.
only elections had been those for the Urban Council on a highly restricted franchise."\(^9\)

The importance of the DBs was increased when the government decided to increase the number of their seats to be filled by direct elections from one-third to two-thirds (from 132 to 237) in the 1985 DB elections. Additionally, in the 1985 Legislative Council (LegCo) election, ten seats were filled by election among DB members. Overall, the creation of DBs provided a forum for pressure groups to participate in politics. This was particularly so when the Joint Declaration promised Hong Kong self-government after 1997. As Benjamin K. P. Leung asserts, district politics was “perceived by the territory’s intending politicians as the preparatory ground for self-government.”\(^10\)

**Sino-British Negotiations on Hong Kong’s Future, 1982-1984**

Before the beginning of the Sino-British negotiations on Hong Kong’s future, most of the Hong Kong people did not much care about politics except in instances where their interests were negatively affected. Also, China did not have a formal channel to interfere with or influence the Hong Kong government’s policy decisions. However, all this changed when Sino-British talks began.

In fact, long before the Sino-British negotiations on Hong Kong’s future, back in the 1950s, some worried whether the newly established People’s Republic of China would take back Hong Kong.\(^11\) China did not do so because Hong Kong was valuable in helping it to break embargoes that the United States and United Nations had imposed on it after the outbreak of the Korean War (1950-53). In 1959, Chairman Mao declared that “[i]t is better to keep Hong Kong

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11. In fact, during the Second World War, China and Britain had discussed about Hong Kong’s future after the war. Sino-British negotiations were conducted in Chongqing in November 1942. The Chinese government asked Britain to return the New Territories to her jurisdiction, along with various British concessions in China. However, Britain only agreed to end her privileges in China. Instead of giving up the New Territories, Britain formally acknowledged the Chinese position on Hong Kong, that is, Hong Kong is a problem the Chinese could raise at any time after the victory over Japan. For details of the negotiations, see Steve Tsang. *Hong Kong: Appointment with China*. London, UK: I. B. Tauris, 1997, chapter 2.
the way it is. We are in no hurry to take it back. It is useful to us right now.”

China’s position on Hong Kong was clearly expressed in a letter sent to the United Nations Special Committee on Colonialism in 1972. In the letter, China requested the Committee to remove Hong Kong and Macau from the list of colonial territories because “[t]he settlement of the questions of Hong Kong and Macau is entirely within China’s sovereign right and do not at all fall under the ordinary category of colonial territories.” The Chinese government would settle the question of Hong Kong and Macau “in an appropriate way when conditions are ripe.” The British government did not object to China’s request. Subsequently, the future of Hong Kong was not under the spotlight.

Nonetheless, some people in Hong Kong still recalled that the New Territories, Hong Kong’s largest piece of land, was not ceded to Britain in perpetuity, but leased to it for 99 years. Unless the lease was renewed, the New Territories would return to China in 1997. Sir Murray MacLehose, the Hong Kong Governor from 1971 to 1982, felt that efforts should be made to keep Hong Kong under British rule. In early 1979, the Chinese government invited MacLehose to visit China. In his meeting with Deng Xiaoping, then China’s paramount leader, MacLehose told Deng that business confidence in Hong Kong would be lost if the Hong Kong government did not issue commercial leases beyond 1997. He asked China to allow the Hong Kong government to do so. Deng did not accept MacLehose’s request, but he pledged that when China took over Hong Kong in 1997, investments in Hong Kong would not be affected. After that meeting, there was a series of exchanges between Chinese and British ministers on the question

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13. Macau is a very small city next to Hong Kong. It was occupied by Portugal after the mid-16th century. On 13 April 1987, the Chinese and Portuguese Governments signed the Joint Declaration on the Question of Macau, affirming that China will resume the exercise of sovereignty over Macau on 20 December 1999.


15. Ibid.

of Hong Kong. However, those exchanges, in the words of Sir Percy Cradock, then British Ambassador to China, were “unsatisfactory.”

A visit by British Prime Minister Thatcher to China in September 1982 could not bring about a satisfactory result either. Thatcher told the Chinese leaders that Britain was willing to “exchange sovereignty over the island of Hong Kong in return for continued British administration of the entire Colony well into the future.” She believed that since the “confidence and prosperity” of Hong Kong “depended on British administration,” China would accept the British proposal. However, to the Chinese, sovereignty and administration were inseparable. As a matter of principle and national pride, China had to reclaim both. Deng rejected Thatcher’s proposal and told her that China would recover the sovereignty and administration over all of Hong Kong in 1997.

Later, Governor Edward Youde (succeeded MacLehose in 1982) told the LegCo that meetings between Britain and China on Hong Kong’s future had already started in Beijing as a follow-up to Thatcher’s visit. This began the so-called first phase of Sino-British negotiations on Hong Kong’s future. The talks lasted from October 1982 to June 1983, but no breakthrough was achieved. The Chinese government refused to begin formal negotiation with Britain unless the British acknowledged its sovereignty over Hong Kong. The British government resisted such demand. Consequently, the diplomatic talks grounded to a halt for a few months. After China implied that it would take back Hong Kong earlier than 1997 if it could not soon reach an agreement with Britain, Britain finally gave in to China’s demand. As a result, the “second phase” of talks began on July 12, 1983 in Beijing. The British team was headed by Cradock and the Chinese team was led by Vice-Foreign Minister Yao Guang.

The people of Hong Kong took no part in the talks. The Chinese government saw the negotiations as something between two sovereign states. Thus, Governor Youde could only be

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present at the negotiations as a member of the British team, not as a representative of the people of Hong Kong. The Hong Kong people could only raise their concerns through the Legislative and Executive Councillors for they had access to the British team. After a 14-month long negotiation, the two governments signed the Joint Declaration on 19 December 1984 in Beijing.\(^\text{20}\) In essence, the Joint Declaration promised the Hong Kong people that the Chinese socialist systems and policies would not be practiced in Hong Kong. Moreover, Hong Kong’s existing capitalist system and its way of life will remain unchanged for 50 years after 1997. Above all, Hong Kong would be ruled by the Hong Kong people with a high degree of autonomy.

Sino-British negotiations on the future of Hong Kong affected Hong Kong’s political development in two major senses. First, the Hong Kong people’s political awareness had been greatly aroused because of the extensive media coverage of the negotiations. Moreover, a great deal of anxiety was generated among the people of Hong Kong because they were kept out of the negotiations. This kind of political situation was conducive to the formation of new political groups. A way for these new political groups to exert their influence on government policy was to sponsor candidates to stand for elections under their banners. As Miners observes, in the 1985 District Board elections, about 200 of the 501 candidates stood for election under some party label.\(^\text{21}\)

Second, before the signing of the Joint Declaration, China’s influence on Hong Kong was more informal. She could exert enormous influence on the Hong Kong government by threatening to stop supplying water and food to Hong Kong, or by relaxing the control of its border which would practically influx Hong Kong with thousands of illegal immigrants. But with the Joint Declaration and the Sino-British Joint Liaison Group,\(^\text{22}\) China finally gained a formal channel to influence the running of Hong Kong during its transition period. After the signing of

\(^{20}\) Readers who are interested in details of the negotiations which lasted for more than 14 months, see Mark Roberti’s book, \textit{op.cit.}, chs. 1-10.

\(^{21}\) Miners, \textit{op.cit.}, p.198.

\(^{22}\) The Joint-Liaison Group would come into being when the Joint Declaration came into force and continue until the year 2000. Its functions would be: liaison, consultation on the implementation of the Joint Declaration, and exchange of information between the two governments.
the Joint Declaration, the Hong Kong government could no longer decide major issues concerning Hong Kong alone. It became more often for the British and Chinese governments to negotiate and impose their agreements on Hong Kong. A case in point was the development of representative government in Hong Kong. China had successfully slowed Hong Kong’s pace of democratization.

**Debates Over Governing Arrangements**

The Joint Declaration promised to give Hong Kong citizens the right to self-administration and a more democratic political system than the one under the British administration. This was so in two ways. First, the Chief Executive would be locally-elected. Second, Hong Kong’s legislature would be constituted through election. The Joint Declaration also explicitly stated that the executive branch should be accountable to the legislature. But, in exactly what ways should Hong Kong put these promises into practice? This became a big question to the people of Hong Kong. Because of these promises, the Hong Kong people’s aspiration to a faster pace of democratization was rising enormously. It was against this background that the first governmental review (1984) of developing a representative government in Hong Kong was conducted.

A year later, China began the drafting of Hong Kong’s Basic Law, a process which began in 1985 and ended in 1988. During the drafting of the Basic Law, in 1987, the Hong Kong government conducted its second review of the further development in Hong Kong’s political system. China insisted that Hong Kong should not make drastic changes in its political system that would contradict with the Basic Law. As the Basic Law was still under drafting, China’s request practically put a stop to Hong Kong’s political reforms.

**The Government’s 1984 Review of Developments in Representative Government**

Following the first broadly franchised Urban Council (UrbCo) election in 1983, the government decided in 1985 that a provisional Regional Council (RegCo), the counterpart of the UrbCo in the New Territories, would be established (it was permanently constituted after its 1986
elections). The government also decided to open more seats of the District Boards for direct elections in 1985. These local administration reforms led the government to examine ways of developing a representative government at the central level—the Executive and Legislative Councils (ExCo, LegCo). In July 1984, the government issued a Green Paper\textsuperscript{24} in which it stated its intention to “develop progressively a system of government the authority for which is firmly rooted in Hong Kong, which is able to represent authoritatively the views of the people of Hong Kong, and which is more directly accountable to the people of Hong Kong.”\textsuperscript{25}

To this end, the government proposed to let some legislators be elected indirectly by an electoral college (composed of the UrbCo and DB members) and functional constituencies in the 1985 LegCo election.\textsuperscript{26} But, the government refused to introduce direct elections to the LegCo on the ground that “direct elections would run the risk of a swift introduction of adversarial politics, and would increase an element of instability at a crucial time.”\textsuperscript{27} To preserve the stability and harmony of the Hong Kong society, direct elections to the LegCo should be delayed until Hong Kong was ready for it.

Furthermore, the Green Paper proposed to introduce a “more representative element” into the composition of the ExCo’s membership. It suggested that, starting from 1988, the unofficial ExCo members should be elected by the LegCo. If this proposal was implemented, there would be a majority of elected members in the ExCo by 1991.\textsuperscript{28} Most importantly, there were suggestions that “Unofficial members of the Executive and Legislative Councils should play a


\textsuperscript{25} Ibid., para. 7.

\textsuperscript{26} The functional constituencies were established to ensure that major sectors of the community having common social, economic and occupational interests were represented in the LegCo. The legal profession is an example of functional constituency (cf: Ch.1, note 15).

\textsuperscript{27} Green Paper, op.cit., para. 27. The crucial time the government referred to was the period that Britain and China were still negotiating for an agreement on Hong Kong’s future.

\textsuperscript{28} According to the Green Paper, in 1991, among the 14 ExCo members, 8 would be elected by the LegCo, 2 appointed by the Governor, and 4 would be ex-officio members (Green Paper, op.cit., para. 55).
greater part in the Administration by assuming some sort of executive role, similar to the ministerial functions performed by elected representatives in other countries."\(^{29}\) Although the government found that Hong Kong was not yet ready for a ministerial system, it promised that "subsequent developments may be considered at a later stage."\(^{30}\) This thinking was advanced for its time.

After a two-month consultation period (in which the public was encouraged to submit comments on the Green Paper), the government issued a White Paper in November 1984.\(^{31}\) The number of elected seats to the LegCo were increased from 12 to 24. The electoral college and functional constituency would each return 12 members to the LegCo in 1985.\(^{32}\) With the introduction of 24 indirectly elected members, the government decided to reduce the number of appointed and official members. In the 1985 LegCo session, the number of appointed members was reduced from 29 to 22 while the number of official members was cut from 18 to 10.

Regarding direct elections, the government argued that there was little public support for direct elections to be introduced in 1985.\(^{33}\) Therefore, it refused to introduce direct elections in the 1985 LegCo election. Nonetheless, the government gave a pledge that Hong Kong would gradually begin to introduce direct elections to the LegCo with "a very small number of directly elected members in 1988 and building up to a significant number of directly elected members by

\(^{29}\) Ibid., para. 58.

\(^{30}\) Ibid.


\(^{32}\) Among the 12 members returned from the electoral college, 10 would be returned by the District Boards, and the Urban and Regional Councils would each select one member to the LegCo. Nine professions or sectors were designated as functional constituencies. They were: commercial, industrial, financial, labour, social services, medical, education, legal, and engineers and associated professions. Except for commercial, industrial, and labour functional constituencies which would each return 2 members, the other 6 functional constituencies would each return one member to the LegCo.

\(^{33}\) In the White Paper, the government stated that "[t]here was considerable general public concern that too rapid progress towards direct elections could place the future stability and prosperity of Hong Kong in jeopardy. . . there was strong public support for the idea of direct elections but little support for such elections in the immediate future" (White Paper, op.cit., para. 25).
As for the change in the selection of the ExCo’s unofficial members, it was not recommended to take effect in 1985. Overall, the government concluded the review with a promise to have a second review of the whole system of representative government in 1987.

It is fair to say that the Hong Kong government had conducted the 1984 review with an optimistic and progressive tone. It was a big step forward in Hong Kong’s long journey to a more open and accountable government. Despite that, liberals in the LegCo, like Mr. Martin Lee (the chairman of Hong Kong’s most popular political party, the Democratic Party) and Mr. Szeto Wah (the party whip of the Democratic Party), believed that Hong Kong was ready for a faster pace of democratization. However, what they did not recognize was that ever since the beginning of the Basic Law’s drafting process, China was prepared to object to any changes in Hong Kong’s political system until the drafting process was completed. Before we discuss how China used the Basic Law’s drafting process to delay Hong Kong’s democratic development, let us turn to examine the drafting process itself.

The Drafting of the Basic Law (1985-1988)

To the Chinese government, the most important task to accomplish in the early phase of Hong Kong’s transition period (which began in 1984) was the drafting of the Basic Law. Though the Basic Law would be enacted to give effect to the Joint Declaration, an agreement between the Chinese and the British governments, China saw the drafting of it as an exercise of her sovereign right. Thus, the British and Hong Kong governments played no part in it. Nevertheless,
increase the legitimacy of the Basic Law and its acceptance to the residents of Hong Kong, China appointed some prominent Hong Kong citizens to the Basic Law Drafting Committee (BLDC), an organization established on 10 April 1985 to direct the drafting of the Basic Law.

The BLDC had 59 members, among them, 36 were from the mainland, and 23 were from Hong Kong. Members from Hong Kong were selected and nominated by the New China News Agency Hong Kong Branch (NCNA, China’s de facto embassy in Hong Kong), then appointed by the Standing Committee of the National People’s Congress (NPC, China’s legislature). The BLDC was chaired by Ji Pengfei, the director of the Hong Kong and Macao Affairs Office (HKMAO). Ji, along with the other eight vice-chairmen, formed the Chairman’s Committee, which met the day before each plenum to prepare the agenda. The rest of the drafters were asked to join one or two of the following groups: (1) Relationship Between the Central Authorities and the HKSAR; (2) Fundamental Rights and Duties of Residents; (3) the Political Structure; (4) the Economy; and (5) Education, Science, Technology, Culture, Sports, and Religion. Each group had two conveners, one from the mainland and the other from Hong Kong.

The BLDC later set up the Consultative Committee for the Basic Law (CCBL). It was formed on 18 December 1985 with 180 members, all from Hong Kong. Some observers point

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37. The mainland side comprised 11 legal experts, 15 government officials, and 10 members described as “well-know people from various sectors.” The government officials came from the Foreign Ministry, the Hong Kong and Macao Affairs Office, and the New China News Agency. The Hong Kong members, with only a few exceptions, were prominent professional and business elites. Four business tycoons were appointed as vice-chairmen of the BLDC (it had eight vice-chairmen, the other four were from the mainland). However, to increase the representativeness of the BLDC, China also appointed two liberals, Martin Lee and Szeto Wah, to the BLDC.

38. Established in 1978, the HKMAO was responsible for researching topics concerning Hong Kong and collecting views of the Hong Kong people before making its recommendations to Chinese leaders on policies regarding Hong Kong. It also acts as Hong Kong’s gatekeeper—it helps Hong Kong to communicate with other Chinese government agencies, both at the central and local levels. Its head enjoys a ministerial status and reports directly to the State Council (the highest organ of state administration). After 1997, the gatekeeper role became more important than the roles of researcher and information collector.

39. This organization was entrusted with the task of collecting and analyzing views and suggestions concerning the Basic Law from different sectors of the Hong Kong community and then reflecting them to the BLDC (The Draft Basic Law of the Hong Kong Special Administrative Region of the People’s Republic of China (For Solicitation of Opinions) (With Introduction and Summary). Hong Kong: The Consultative
out that its creation was part of China’s united front approach to win over Hong Kong people’s support. Prominent people who could not be given a seat on the BLDC were rewarded with one on the CCBL. Although membership composition of the CCBL was biased in favor of the conservative business and professional interests and pro-Beijing individuals, the committee was regarded as more representative than the BLDC.

With the background information, reports, and opinions supplied by the CCBL, the BLDC began drafting the Basic Law in 1987. During the drafting process, the most heated debates were over the structure of the HKSAR’s political system. Hong Kong’s conservative business and professional elites who were also members of the CCBL and BLDC formed a group called the “Business and Professional Group of the Basic Law Consultative Committee” to put forth their own political blueprint for the HKSAR. The group was formed in April 1986 with 57 members and later increased to 89 members (thus it was also known as the Group of 89). It was led by businessman Vincent Lo, whom became the main spokesman for the business community.

The Group of 89 later held a press conference to unveil its proposals for the future structure of the HKSAR government. It called for the future Chief Executive to be chosen by an Electoral College made up of 600 people (most of them would come from the business and professional communities). It also suggested that, beginning from 1992, the legislature should be composed of 80 members, 50% chosen by functional constituencies, 25% by direct elections and 25% by the Electoral College. As expected, the Group of 89 declared that direct elections should not be held in 1988 because “to have direct elections before the Basic Law is promulgated

Committee for the Basic Law, April 1988, p.2).

40. See Roberti, op. cit., p.160. According to Steve Tsang, the first step in the united front approach is to isolate the Communist Party’s principal antagonist and destroy it by rallying China’s supporters, winning over those wavering and neutralizing the opponent’s natural supporters. Once this is completed, the Communist Party moves on to the next target and repeats the exercise until it establishes full control, a process which in the case of Hong Kong will not be completed until after 1997 (Tsang, “Maximum Flexibility, Rigid Framework: China’s Policy Towards Hong Kong and Its Implications,” Journal of International Affairs, 49 (2), (Winter 1996):413-433, 426).


42. Ibid., p.7.
is like putting the cart before the horse.” In short, these proposals would maintain the great influence of business and economic interests in the future HKSAR’s political system.

On the other hand, 19 professionals, social workers, and community representatives on the CCBL also got together (later known as the Group of 19) and put forward an alternative political model. They proposed that the future Chief Executive should be “nominated by the legislature and elected by universal franchise” and “half the seats in the legislature would be returned by democratic elections, a quarter by functional constituencies, and a quarter by an electoral college composed of District Board members.” In sum, the Groups of 89 and 19 represented the conservative and liberal views, respectively, on Hong Kong’s pace of political development.

The first draft of the Basic Law was published on 28 April 1988. It contained ten chapters, 172 articles and three annexes. The general impression of it was that it did not give Hong Kong enough autonomy and democracy. Although the second draft (which was released on 27 February 1989) was seen as a significant improvement from the first draft, it still provided the HKSAR with a very conservative political system. Yet, without too many changes, the final draft of the Basic Law was adopted by the NPC on 4 April 1990 and promulgated the same day by the Chinese President, Yang Shangkun. As many others have recounted in detail the history of the Basic Law’s drafting, we now shift from a general description of this process to how it affected the Hong Kong government’s 1987 political review.

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43. Ibid., p.11.

44. Roberti, op.cit., p.177.

45. Following the publication of the draft Basic Law was a five-month consultation period conducted by the CCBL. It received a total of 73,000 submissions on the Basic Law of which over 66,000 responses were from pro-democracy groups (Ibid., p.217). These opinions were later reflected to the BLDC by the CCBL for consideration of possible amendments to the draft Basic Law.

The Government’s 1987 Review of Developments in Representative Government

The man to carry out China’s policies regarding Hong Kong was Xu Jiatun, the Director of the NCNA. On 21 November 1985, during his first press conference held in Hong Kong, Xu made it clear that China would oppose any major changes to Hong Kong’s political system before the drafting of the Basic Law was completed. To China, any British unilateral move to reform Hong Kong’s political system that would last after 1997 would constitute an infringement of its sovereignty. Only the Chinese could decide what kinds of political system that the HKSAR should have after transition. Xu accused the British side of not observing the Joint Declaration. He held up a copy of the Joint Declaration and banged his glasses on the table repeatedly and declared that: “The only way to ensure Hong Kong’s prosperity and stability hinges on whether both parties will stick to the terms of the Joint Declaration. But it is not difficult for us to detect that somebody has deviated from the accord. We can’t ignore this fact.”

It was the first time that the people of Hong Kong saw a senior Chinese official warn the Hong Kong government not to carry out any unilateral political reform in such a dramatic manner. The city was stunned by Xu’s remarks. The Hang Seng Index, Hong Kong’s stock market index, plummeted 50 points the next day. Yet, both the British and Hong Kong governments did not refute Xu’s remarks publicly. After China formally reaffirmed Xu’s stand in January 1986, the British government gave in and agreed with Xu’s stand. When Timothy Renton, the British minister of state with responsibility for Hong Kong, visited Beijing, he told reporters that both the British and Chinese governments agreed that “the principle of convergence will be the one that will guide us both” in reforming Hong Kong’s political system.

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47. Xu arrived at Hong Kong on 30 June 1983 to take up his post as the Director of the NCNA. As a member of the Communist Party Central Committee, Xu enjoyed direct access to Chinese leaders like Deng Xiaoping and Zhao Ziyang. This gave him wide discretionary power in conducting China’s policies in Hong Kong. He was the most senior Chinese cadre ever appointed to Hong Kong. After the Tiananmen Square Incident, Xu fled to America on 1 May 1990 and lived there in exile until now. He was accused of being too soft during the incident and too close to Zhao whom lost his position as the General Secretary of the Communist Party for taking the students’ side.

48. Roberti, op.cit., p.158.

49. Ibid., p.162.
By agreeing with the principle of convergence, Britain expected China to let whatever was
in place by 1997 to function after the handover. This became popularly known as the “through
train” arrangement. China did agree that if changes made in the 1995 LegCo election, the last
election to be held by the British before 1997, were in line with the Basic Law, they would
survive the handover. It is clear that China had gained an upper hand in determining Hong
Kong’s pace of democratization. For changes in Hong Kong’s political system to be converged
with the Basic Law, which was still being drafted then, meant that the Hong Kong government
had to put off all major constitutional changes until the Basic Law was completed. Only after its
completion could the Hong Kong government knew what kinds of constitutional changes would
be in line with the Basic Law.

Against this background, to no one’s surprise, the Hong Kong government toned down
its progressive and optimistic attitude toward the developments of a representative government
in its 1987 political review. Unlike the 1984 review, this time the government no longer aimed
to develop a system of government that is “more directly accountable to the people of Hong
Kong.” Instead of reviewing ways to create a more accountable government, the purpose of the
1987 review was simply to “consider whether the systems of representative government in Hong
Kong should be further developed in 1988 and, if so, in what manner.”50 In other words, the
government was not sure (as it was in 1984) that Hong Kong needed to reform its political system
so that it would be “more directly accountable to the people of Hong Kong.” Moreover, the
government also went back on its 1984 commitment to introduce “a very small number of
directly elected members” in the 1988 LegCo election. In the 1987 Green Paper, the government
did not recommend direct election as the option in preference to other options. Instead, direct
election was treated as a possible choice among three other electoral arrangements for the 1988
LegCo election. As expected, this regressive tone was well received by the conservative
businessmen and pro-China forces but was heavily criticized by the pro-democracy camp.

The government also set up a Survey Office to collect public opinion on different reform
options listed in the Green Paper. At the end, the Survey Office concluded that most of the

Government Printer, May 1987, para. 2.
submissions it received from the public were against the introduction of direct elections in 1988. However, this finding clearly does not reflect the true view of the public on when direct elections should be introduced. Ian Scott has observed that to the contrary, “[a]ll polls showed that at least a plurality and, in most cases, an absolute majority were in favor of direct elections in 1988 on a percentage range between 41 and 61 per cent over the period May to October 1987.”

Inevitably, one will suspect that the Hong Kong government had again given in to the Chinese government’s demand. Though the government denied such speculation, it nonetheless rejected the introduction of direct elections in 1988. In a White Paper issued in February 1988, the government concluded that “it would not be right to make such a major constitutional change in 1988, given that opinions in the community on this issue are so clearly divided.” As a result, the 1988 LegCo election only saw a small increase in the number of members elected by functional constituencies from 12 to 14. To maintain the size of the legislature at 56, the number of appointed members was reduced from 22 to 20. There were no changes in the numbers of official members and members elected by electoral college (both were remained unchanged at 10 and 12, respectively). However, in response to a strong demand from Hong Kong people for the right to directly elect their legislators, the government promised that 10 members would be chosen by direct elections in 1991. These 10 directly elected seats would replace the 10 seats currently filled by indirect elections from District Boards.

The Crisis of Confidence

The Hong Kong government’s retreat in its political reforms was just the beginning of a series of blows to the confidence of the Hong Kong people in their city’s future. In November 1988, Louis Cha, the Hong Kong co-convener of the BLDC’s political structure group and a publisher of a popular local Chinese daily, Ming Pao, introduced his ultraconservative political model which he claimed could reflect the views of all other major proposals for the HKSAR’s


53. Ibid., para. 29.
political system (it was also known as the “mainstream” model).

In essence, Cha’s mainstream model postponed the introduction of a fully directly elected legislature for at least the first 15 years of the HKSAR, that is, not until 2012. It further stipulated that, even then, the decision for a fully directly elected legislature would depend on the outcome of a referendum to be held once every ten years. Only if more than 67% of the voters favored this, then direct elections would be introduced. Besides, it suggested that only 27% of the legislature’s sixty seats would be directly elected in 1997. Furthermore, a direct election for the Chief Executive will be decided by a referendum in 2011. As Ming K. Chan points out, Cha’s model had never been listed as an alternative in the CCBL’s five-volume consultation report on the Basic Law’s first draft issued in 1988. Yet, the mainstream model received the full blessing of the Chinese government. Most of the Hong Kong people were enraged by Cha’s model. But the severest blow to their confidence came when China suppressed the Chinese students’ democratic movement in 1989.

The Tiananmen Square Incident and its Impacts on Hong Kong

The Tiananmen Square Incident was a democratic movement triggered by the death of Hu Yaobang, the former Secretary-General of the Communist Party of China in April 1989. Hu was respected by the Chinese citizens because he was an open-minded and reform-oriented leader. The students’ remembrance gatherings of his death quickly turned into demonstrations calling for the democratization of the country’s political system, and a real check on the epidemic-like spread of corruption in government. Unlike previous student demonstrations, this one was suppressed with military forces. As the citizens of Hong Kong had supported the movement wholeheartedly, they were shocked by its bloody ending.

In brief, this incident gave new impetus for different political factions in Hong Kong to arrive at a consensus about Hong Kong’s future political system. Unfortunately, it also generated a crisis of confidence in Hong Kong.

The Hong Kong public’s support for democracy in China added force to the liberals’ call for a faster pace of democratization in Hong Kong. Indeed, the liberals in the business community

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and the conservative Executive and Legislative Councillors were also impressed by the public’s devotion to the values of democracy and freedom. In May 1989, at the height of the movement, members of ExCo and LegCo met and produced a political model known as the Omelco\textsuperscript{55} consensus. The model called for half of the legislature to be elected by direct elections and half by functional constituencies in 1997. It also demanded that the entire legislature and the Chief Executive should be elected by universal suffrage in 2003. Even Martin Lee and Szeto Wah, the two most prominent liberals, accepted the Omelco consensus. Nonetheless, China regarded the Omelco consensus as a British move to put pressure on her. Thus, the Omelco consensus was later rejected by the BLDC.

The moderates and the conservatives too were discussing a compromise model of their own.\textsuperscript{56} The moderate leader, Gary Cheng Kai-nam, a pro-China figure, met with Vincent Lo, leader of the Group of 89, to talk about the possibility of reaching a consensus on the HKSAR’s political structure. They came up with a model (the 4-4-2 model) that called for 40\% of the legislature to be returned by universal suffrage in 1997, 40\% by functional constituencies, and 20\% by an electoral college. With this model, they tried to resume talk with the liberals. According to Mark Roberti, Martin Lee at first opposed compromise with other groups, but some younger liberals thought that they had to try to reach a compromise. Otherwise, “Beijing would draft its own conservative model and justify forcing it on Hong Kong since local factions could not reach a consensus.”\textsuperscript{57} Their view prevailed and the three factions finally came together to work out the details of the 4-4-2 model. While the three factions discussed details of the 4-4-2 model, T. S. Lo, a founding member of the conservative New Hong Kong Alliance, proposed his own conservative political model to the BLDC.

He proposed that after 1997, Hong Kong should have a bicameral legislature with only

\textsuperscript{55} Omelco had served as a secretariat for the ExCo and LegCo and had served as a bridge between members of the two councils. It was later dismantled when Governor Patten stopped the practice of overlapping membership of the ExCo and LegCo.

\textsuperscript{56} The following account draws heavily from Roberti’s book, unless a direct quote is cited, no page reference will be made. For details, see Roberti, \textit{op.cit.}, pp. 270-273.

\textsuperscript{57} Ibid., p.272.
25% of the seats directly elected by universal suffrage, the rest to be returned by functional constituencies (50%) and an electoral college (25%). 58 Under Lo’s model, for a bill to become a law, it would have to be passed by each of the two houses. Put differently, the indirectly elected functional house could exercise veto power over the decision of the directly elected house. Lo’s model also stipulated that the Chief Executive should be returned by an electoral college until 2003. The HKSAR government can decide by then whether or not to have more legislators and the Chief Executive be selected by universal suffrage. A summary of these competing political models is presented in the Table 3.1.

Lo’s model provoked an angry retort from the liberals and strong disapproval from the general public. A November 1989 opinion survey on different political models conducted by the conservative Hong Kong General Chamber of Commerce found the T. S. Lo model obtained the least support (2.9%) among the four major proposed models. The 4-4-2 model gained the greatest support (47%), followed by the Omelco consensus (45%). Cha’s mainstream model, though was written into the second draft of the Basic Law, received very low support (4.1%). 59 Despite its unpopularity, Lo’s model was endorsed by Beijing in October 1989. As Ming Chan puts it, after the Tiananmen Square Incident, the Beijing government, “with its siege mentality was obsessed with regaining control of the situation even at the expense of its relationship with Hong Kong.” 60

Despite all the heated debates, the final say on Hong Kong’s political development was at the hands of the British and Chinese governments. As Hong Kong would hold its LegCo election in 1991 and the percentage of how many seats would be open for direct election has not yet been finalized, the two governments continued their behind the scenes negotiation before the BLDC passed the final draft of the Basic Law. Just like the Sino-British talks on Hong Kong’s future, the talks on its political development did not involve Hong Kong people. Only after the two governments made the deal did the people of Hong Kong know the timetable of Hong Kong’s political development. Although the final model that the BLDC adopted was a bit better

58 Chan, op.cit., pp.22-23.

59 Ibid., p.23.

60 Ibid.
Table 3.1: Competing Models for Political Structure in the Basic Law

<table>
<thead>
<tr>
<th>Cha’s Mainstream Model</th>
<th>The T. S. Lo Model</th>
<th>The 4-4-2 Model</th>
<th>The Omelco Consensus</th>
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</thead>
<tbody>
<tr>
<td><strong>Composition of the Legislative Council</strong></td>
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<td></td>
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<tr>
<td><strong>1. Direct election</strong></td>
<td></td>
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<td></td>
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<tr>
<td>1997: 27%</td>
<td>1997: 25%</td>
<td>1997: 40%</td>
<td>1995: not less than 50%</td>
</tr>
<tr>
<td>2003: 38%</td>
<td>2003: to be decided by the SAR</td>
<td>2001: 60%</td>
<td>1997: not less than 50%</td>
</tr>
<tr>
<td>2007: 50%</td>
<td>2007: to be decided by the SAR</td>
<td>2005: to be decided by the SAR</td>
<td>2003: 100%</td>
</tr>
<tr>
<td>2012: 100% *</td>
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<td></td>
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<tr>
<td><strong>2. Functional constituency election</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2003: 62%</td>
<td>2003: to be decided by the SAR</td>
<td>2001: 40%</td>
<td>1997: 50%</td>
</tr>
<tr>
<td>2007: 50%</td>
<td>2007: to be decided by the SAR</td>
<td>2005: to be decided by the SAR</td>
<td>2003: 33%</td>
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<tr>
<td><strong>3. Electoral college election</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997: 25%</td>
<td>2003: to be decided by the SAR</td>
<td>1997: 20%</td>
<td>2003: 0%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2001: 0%</td>
<td></td>
</tr>
<tr>
<td><strong>Selection of the Chief Executive</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>* To be decided by a referendum.</td>
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</tbody>
</table>

than Cha’s mainstream model and the T. S. Lo model, the vigorous debates over Hong Kong’s future political systems, and the conservative attitude that China showed during the whole process, have contributed to the further weakening of the Hong Kong people’s confidence in their future. The Sino-British agreement is presented in Table 3.2. Subsequently, a crisis of confidence was emerged in Hong Kong.

**The Confidence Crisis and Measures Taken to Stop It**

The promulgation of the Basic Law and the finalization of Hong Kong’s future political structure did not stop the crisis of confidence that resulted from the bitter debates during the drafting of the Basic Law and the occurrence of the Tiananmen Square Incident. The Chinese government’s decision to expel Szeto Wah and Martin Lee from the BLDC was another blow to confidence. Moreover, being worried that Hong Kong may be used by anti-Chinese forces, both locally and internationally, to topple its regime, the Chinese government inserted a clause in the Basic Law (Article 23) which requires the HKSAR government to “enact laws on its own to prohibit any act of treason, secession, sedition, subversion against the Central People’s Government.” All this contributed to the further deterioration of the Hong Kong public’s confidence in Hong Kong. For instance, a survey conducted in January 1989 had found that 75% of respondents were optimistic about the future, but the number dropped to 52% by September after the Tiananmen Square Incident.

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61. Szeto and Lee were expelled on the ground that they had engaged in activities incompatible with their drafters’ status. Szeto and Lee were chairman and vice-chairman of the Hong Kong Alliance in Support of Patriotic Democratic Movements of China, an organization that China has denounced as subversive. The organization was formed by 230 local groups to give moral and material support to the democratic movements in China. After the suppression, it helped some student leaders to escape from China to western countries like America and France. But what irritated China most was that it has protested against China’s human rights records and requested the Chinese leaders who were responsible for the crackdown to resign. Moreover, it has argued that the student movement was a patriotic, not a counter-revolutionary move against the Chinese government. Today, under the principle of “one country, two systems,” it can still lawfully exist and organize activities such as the annual commemoration of the Tiananmen Square Incident in Hong Kong.

Table 3.2: The HKSAR’s Legislative Council and Chief Executive Towards 1997 and Beyond

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<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>1. Direct Election</td>
<td>20</td>
<td>24</td>
<td>30</td>
</tr>
<tr>
<td>2. Functional Constituencies</td>
<td>30</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>3. Election Committee</td>
<td>10</td>
<td>6</td>
<td>0</td>
</tr>
</tbody>
</table>

**Election of the Chief Executive**

- Elected by a 400-member Selection Committee.
- Elected by a 800-member Election Committee.
- May be amended if deemed as necessary by the majority of the Hong Kong people.
A result of the confidence crisis, widespread demands were made for the right of abode in the United Kingdom. Obviously, it was politically infeasible for Britain to grant the right of abode to 3.25 million Hong Kong Chinese who held the British Dependent Territory passports. To ease the public’s demand for the right of abode in Britain and restore their confidence in Hong Kong’s future, the Hong Kong government implemented three major measures, including: enactment of a Bill of Rights, the granting of British citizenship to 50,000 Hong Kong families, and the launching of an ambitious port and new airport development project.

After the Tiananmen Square Incident, fearful that the future HKSAR government might easily infringe their rights, members of the public demanded that government enacts a bill of rights to protect their civil liberties legally. As Governor Wilson (1987-1992) stated in his speech to the LegCo, “It is clear that there is now strong support in the community for these [social and political] freedoms to be entrenched through the enactment of a Bill of Rights.” He promised to introduce a Bill of Rights to Hong Kong shortly. After more than a year of discussion and the redrafting of the ordinance, the Hong Kong Bill of Rights Ordinance came into force on 8 June 1991. China opposed the enactment of this Ordinance, regarding it as unnecessary as human rights after 1997 had already been well-protected by the Basic Law. Consequently, the Chinese government issued a statement reserving its right to repeal the Ordinance if it was found incompatible with the Basic Law after 1997. This Ordinance remains a controversial subject.

Another measure the Hong Kong government implemented to lessen the confidence crisis was an offer of a nationality package which gave full British citizenship with the right of abode to 50,000 Hong Kong families. Most offers, under a points system, went to business administrators and managers. The rest were divided among professionals such as accountants and engineers. More than 30% of the quota went to civil servants, including top government officials.

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64. Article 39 of the Basic Law stipulates that “The provisions of the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and international labour conventions as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong Special Administrative Region. The rights and freedoms enjoyed by Hong Kong residents shall not be restricted unless as prescribed by law. Such restrictions shall not contravene the provisions of the preceding paragraph of this Article.”
administrators and members of the disciplined services like the Royal Hong Kong Police.65 People who got their British passports under this scheme would not be required to fulfill any residence requirement in Britain. Governor Wilson claimed that this package was “to give those selected the confidence to stay in Hong Kong up to and beyond 1997.”66

Again, China strongly opposed this nationality package. As Tsim Tak-lung points out, China regarded it as a British attempt to “continue to exert influence in Hong Kong” after 1997.67 With this scheme in place, Beijing argued that “after 1 July 1997, most of the top civil servants will have British passports and must therefore owe allegiance to Britain instead of China.”68 In response, China asserted that the Hong Kong Chinese who gained the British passports under this scheme would not be entitled to consular protection by the British government in the HKSAR or in other parts of China after 1 July 1997. China also inserted a clause into the Basic Law which stipulated that only Chinese nationals with no right of abode in any foreign country can serve the post of principal officials (Art. 101).

The third measure was the decision to begin a massive infrastructure project known as the Port and Airport Development Strategy (PADS), which includes the building of a new airport at Chek Lap Kok.69 Governor Wilson argued that the project proved the government’s continuing commitment “to plan for the long term future of Hong Kong.”70 China at first did not oppose the


68. Ibid.

69. The whole project is scheduled to be completed in 2006. Chek Lap Kok is located on Lantau Island, some 30 km from downtown Kowloon. Land for the airport will be formed primarily by the leveling of the islands of Chek Lap Kok and Lam Chau and by using the excavated materials and marine sand for reclamation (Hong Kong’s Port and Airport Development Strategy--A Foundation for Growth. Hong Kong: The Government Printer, October 1991), p.75.

70. Governor Wilson’s 1989 address to the Legislative Council, op.cit., para. 99.
project, but increasingly, she worried that it would drain the financial reserve of the future HKSAR. To avert that possibility, China later demanded a part in the planning of the new airport. As Ian Scott points out, the Chinese government believed that the Joint Declaration gave her “the right to be consulted on all matters that straddled 1997.”

Without the Chinese government’s support, it was difficult for the Hong Kong government to reach any financing arrangements for the PADS. No banks or private investors would participate in the project when they were not sure whether contracts they signed with the Hong Kong government would be honoured by the HKSAR government after 1997. To get the PADS off the ground, Britain again entered into a series of negotiation with China. The two governments finally signed a *Memorandum of Understanding Concerning the Construction of the New Airport* (the Memorandum) in September 1991 in which Britain agreed to consult China before making any major decisions relating to the airport construction. In short, the Memorandum created a precedent for China to interfere with Hong Kong’s domestic issues if they are straddling 1997.

Overall, these measures did little to restore the Hong Kong people’s confidence. It was becoming clear that they depended on China’s policies regarding Hong Kong. China became more high-handed after Hong Kong’s last Governor, Chris Patten, proposed a package of political reforms which China did not approve. To this series of political events we now turn.

**The Further Politicization of Hong Kong Society**

After the Tiananmen Square military crackdown, the British government pledged to speed up Hong Kong’s democratic reform. An agreement was reached between the Chinese and the British governments on the number of seats of the LegCo to be filled by direct elections before 1997. In the 1991 LegCo election, the number of directly elected members was increased from

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72. In the Memorandum, Britain agreed to consult the Chinese government “before the Hong Kong government grants major airport-related franchises or contracts straddling 30 June 1997 or guarantees airport-related debt straddling 30 June 1997” (Ibid., p.217).
10 to 18. The 1991 LegCo electoral results showed that the Hong Kong voters still had a fresh memory of the Tiananmen Square Incident. All candidates who campaigned on a pro-China platform were defeated. The pro-democracy political groups won a landslide victory, winning 15 of the 18 directly elected seats. To no one’s surprise, the flagship party of the liberals, the United Democrats of Hong Kong, led by Martin Lee and Szeto Wah, did well in the elections, taking 11 of the 18 directly elected seats.

Together with 21 members elected by functional constituencies, the government for the first time could not say for sure that the LegCo would pass bills that it proposed. Among the 60 seats in the 1991 LegCo, the government could only control 22 seats (18 appointed members and four *ex officio* members). Before 1991, the number of appointed legislators and officials seating in the LegCo could easily pass whatever measures the government wanted. Indeed, the 1991 LegCo was more assertive and aggressive than its predecessor. This was not only due to the increasing number of liberal legislators but also because it was the last term of the LegCo that still has appointed members. From 1995 onwards, the Governor lost the authority to appoint his own people in the LegCo. The appointed members who wanted to serve in the LegCo again in 1995 now needed to appeal to the public instead of to the Governor. Thus, they no longer needed to vote in line with the government’s position.

Understandably, the new legislature brought frustration to senior civil servants who were used to getting what they wanted without much difficulty from the LegCo. For example, a senior civil servant commented that the LegCo has become “problematic” for the government. As Kathleen Cheek-Milby puts it, the senior civil servants’ bureaucratic background left them ill-prepared for their new political role. Unlike their counterparts in western democratic countries, senior civil servants in Hong Kong had no ministers to defend them: “We are a strange animal. We have power but no ministerial responsibility. With no party to back us, we have to stand

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73. In 1988, before reaching an agreement with China on the issue of direct elections to the LegCo, the Hong Kong government only promised to open 10 seats for direct elections in the 1991 LegCo election.


75. Ibid., p.222.
In sum, this change in the composition of the LegCo’s membership began a new era in Hong Kong’s political development. Never before had the Hong Kong people seen so many open conflicts and disagreements between the government and the LegCo. This was new to the government and the Hong Kong society. Comments were even made that the government was facing a serious problem of ungovernability. To exit Hong Kong with glory and probably also because of his lacking of confidence in Governor Wilson, Prime Minister John Major decided to replace Wilson with Chris Patten. As the chairman of the Conservative Party and a close friend of Major, Patten was regarded as a political heavyweight and gifted politician who could help Hong Kong get through its last phase of transition.

**Chris Patten and his Political Reforms**

Jonathan Dimbleby, an author who wrote a book about Patten’s governorship and had direct access to Patten, stated that, before Patten came to Hong Kong in July 1992 he poured over the Basic Law. Patten believed that within it there was “quite a lot of space, quite a lot of elbow room between the Joint Declaration and the Basic Law” for him to speed up Hong Kong’s pace of democratization. The Sino-British agreement on Hong Kong’s political development only stipulated that the number of directly elected seats could not exceed 20. But it did not say how the nine new functional constituencies should be defined and how the Election Committee should be formed. These were the grey areas from which Patten drew his package of political reforms alone.”

The airport memorandum which Percy Cradock reached with China required Major to sign it in Beijing. This is probably China’s tactic to break her international isolation after the Tiananmen Square Incident. As a result, Major became the first Western leader to visit China after the incident. It was widely reported that Major had not forgiven Wilson and his Foreign Office colleagues for foisting upon him the indignity of visiting Beijing in September 1991. Nonetheless, the major reason behind Wilson’s replacement is the shift in Britain’s China policy from timid to assertive. According to the *Asia 1993 Yearbook*, the Foreign Office mandarin instinct of concession and compromise had been blamed for many failure in defending the Hong Kong people’s interests during and after the Sino-British negotiations on Hong Kong’s future (*Asia 1993 Yearbook*, Hong Kong: Far Eastern Economic Review, 1993, p.118). For a detailed analysis of the new British China policy, see Lau Siu-kai, “Decolonisation à la Hong Kong: Britain’s Search for Governability and Exit with Glory,” *The Journal of Commonwealth and Comparative Politics* 35(2) (July 1997):28-54, 38-44.

for Hong Kong.

In his first annual address to the LegCo in October 1992, Patten stated that “we must make possible the widest democratic participation by the people of Hong Kong in the running of their own affairs, while reinforcing certainty about Hong Kong’s future.” He stressed that the overall objective of his reforms was to “extend democracy while working within the Basic Law.”

Patten’s package of political reforms consisted of several proposals. The government decided to raise the number of directly-elected seats from 18 to 20 (which was the number stipulated in the Basic Law for the first HKSAR legislature) in 1995. The voting age would be reduced from 21 to 18. As for the voting system, the multiple-seats, multiple-votes voting system for the geographical constituencies elections would be changed into a single seat, single vote system. Simply put, in the 1995 LegCo election, each voter would be allowed to cast one vote to select one representative to the LegCo. Moreover, for the existing 21 functional constituencies, all forms of corporate voting would be replaced by individual voting. For example, all the directors of companies that are members of the General Chamber of Commerce would be able to vote, instead of just the companies themselves, as was the case previously.

In addition, nine new functional constituencies, encompassing all occupations, would be created to cover people who did not belong to existing functional constituencies. Every worker in the nine new functional constituencies would have a vote. These two arrangements would result in the franchise of the 30 functional constituencies being extended to all eligible voters in Hong Kong’s working population of 2.7 million. This was in practice an introduction of universal suffrage but without saying so. To advance Hong Kong’s democratic reform further, the government decided to replace all appointed members on District Boards and Urban and Regional Councils by directly elected members from 1994 onwards. Furthermore, as all the seats of the 1995 LegCo would be returned by elections, Patten proposed that the Election Committee (which would return 10 legislators in the 1995 LegCo election) itself should also be comprised by members who have themselves been elected. Thus, the Election Committee would be

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80. Ibid., para. 147.
comprised solely of directly elected District Board members. Additionally, under Patten’s proposals, members of the Election Committee would be allowed to vote for any qualified candidate, not just members of the Election Committee. Lastly, the government would set up an independent Boundary and Election Commission (reported directly to the Governor) to define the boundaries of new geographical constituencies and make similar arrangements for the existing constituencies.\(^{81}\)

Besides these reforms, Patten also made changes in the membership composition of the ExCo. He stated that the change was made to create a “non-party political body to which [he] can look for sound, impartial advice on the wide range of issues that come before the Administration.”\(^{82}\) In brief, the LegCo would be “separated” from the ExCo in the sense that no LegCo members would be appointed to the ExCo from October 1992 onwards. Previously, it had been the convention to appoint members of the LegCo to serve concurrently in the ExCo. These members served as a bridge between the LegCo and ExCo. In the ExCo meetings, they would reflect the views of their fellow LegCo colleagues on policy matters being discussed in the ExCo. Likewise, in the LegCo meetings, as members of the ExCo, they abided by the convention of collective responsibility to stand up for government policy and vote for it. To provide a channel of liaison between the government and legislators, Patten proposed the formation of a new Government-LegCo Committee which would discuss the handling of the legislative programme. But, as Norman J. Miners points out, this suggestion has not been implemented since the independent legislators could not agree on who should represent them on such a committee.\(^{83}\)

To Patten, these reforms were “modest development of democracy [and] were fully compatible with the Joint Declaration, the Basic Law and relevant agreements between Britain and China.”\(^{84}\) In fact, the reform package was well received by the general public. A poll

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\(^{81}\) Ibid., paras. 125-146.

\(^{82}\) Ibid., para. 118.


\(^{84}\) *Representative Government in Hong Kong*. Hong Kong: The Government Printing Department, February 1994, p.4.
conducted after Patten unveiled his proposals showed that 67.82% of respondents approved of them.\textsuperscript{85} Liberals like Martin Lee also welcomed Patten’s proposals. After Patten publicly announced his proposals, Lee reportedly said that: “it is almost like a fully democratic election.”\textsuperscript{86} On the other hand, the conservatives were understandably unhappy with the proposed changes to the voting system of the functional constituencies. The enlarged franchise and the individual voting system would make it much more difficult for business and conservative elites to gerrymander the outcome of functional constituency elections. Nevertheless, they refrained from attacking Patten’s proposals because of the high approval rating of Patten himself\textsuperscript{87} and the popularity of the proposals.

But to the Chinese government, Patten’s reform package was unacceptable. Although Patten had repeatedly stressed that his reform package was “not a final programme,”\textsuperscript{88} and he was willing to talk with Beijing over it, the Chinese government attacked Patten’s proposals as “three contraventions.” The first contravention was that the British side had unilaterally made public a constitutional package without first having it discussed by the Sino-British Joint Liaison Group. Second, Patten’s proposals introduced drastic changes to the existing political structure, in conflict with the Basic Law which stipulated that Hong Kong’s political structure should develop gradually. Third, Patten’s package contravened the series of agreements, understandings, and consensus already reached between the two governments, especially those reached by the


\textsuperscript{86} Dimbleby, op.cit., p.119. Nonetheless, publicly Lee had to criticize Patten’s proposals for he and his party had demanded ten more directly elected seats than Patten’s proposals were offering. But they knew very well that Patten’s proposals were as good as they could get at that time. As Dimbleby points out, Lee and his colleagues restated their commitment to direct elections on one hand and soften their rhetoric on the other hand.

\textsuperscript{87} Patten easily won the affection of the Hong Kong people by shaking hands with them and kissing their babies. Though these were widely regarded as typical western politicians’ tactics, they were new to the Hong Kong people who used to see their Governor from a far distance.

\textsuperscript{88} Patten, op.cit., para. 142.
exchange of letters between the two foreign ministers in early 1990.\textsuperscript{89}

Patten’s visit to Beijing from 21-23 October 1992 failed to convince the Chinese government to accept his proposals. Soon after Patten left Beijing, Lu Ping, director of the Hong Kong and Macau Affairs Office, held a press conference to denounce Patten’s package. He threatened to overturn any measures China did not accept after the 1997 handover. What surprised Hong Kong citizens the most was Lu’s allegation that the reforms broke a secret deal reached between the Chinese and British governments in early 1990. The agreement, according to Lu, sought “convergence” between Hong Kong’s current polity and the future HKSAR. Britain denied the existence of this secret agreement. The two sides later released details of their diplomatic correspondence. Dimbleby asserts that although British Foreign Secretary Douglas Hurd could not be held to have made any secret deal, his “agreement in principle” and his commitment to discuss the “precise details” of how the Election Committee might be established for the 1995 elections was far more than the non-committal exchange of views the British claimed.\textsuperscript{90} China saw the nature of its dispute with Britain in these terms: “the core of controversy between China and Britain over the political structure in Hong Kong is not whether democracy should be promoted or whether there should be ‘openness and fairness’ as claimed by the British side, but rather whether international commitments should be honored, whether there should be convergence with the Basic Law, and whether a smooth transition in Hong Kong should be achieved.”\textsuperscript{91}

As China’s war of words against Patten and his reforms escalated, the business elites began to spoke against Patten’s proposals publicly. The Business and Professionals Federation (BPF), which represents more than 130 Hong Kong’s largest companies, declared its opposition


\textsuperscript{90} Dimbleby, \textit{op.cit.}, p.145. It seems that Patten had devised his proposals in ignorance of the exchanges of letters between Hurd and Qian. As Dimbleby points out, no one in London told Patten the existence of these “past understandings” between the two governments before he left Britain for Hong Kong.

\textsuperscript{91} “Facts about a Few Important Aspects of Sino-British Talks on 1994-95 Electoral Arrangements in Hong Kong,” \textit{op.cit.}, p.42.
to Patten’s reforms. At a press conference, Vincent Lo (chairman of the BPF) said that any political reform should converge with the Basic Law. He commented, “democracy is important, but it is not the only goal. A smooth transition is more important.” 92 Worse still, after Patten’s package won the support of Australia, Canada, and America, China was affirmed that Patten’s reforms were part of the anti-China chorus of the western powers that began after the Tiananmen Square Incident. This belief reinforced China’s determination to oppose Patten’s reform proposals at all cost.

On 17 November 1992, during his visit to London, China’s vice-premier Zhu Rongji said that if Patten pushes ahead with his political programme for Hong Kong, China might as well abandon the Joint Declaration. China later even threatened to invalidate all current and future Hong Kong government contracts which extend beyond 1 July 1997 if these contracts were not previously validated by China. As The Economist reported, the Hong Kong stock market fell by a total of more than 1,000 points--17%--in the four days of trading that began on November 30th.93 Subsequently, Britain proposed to talk with China over their differences. However, China refused to talk on the basis of Patten’s proposals.

Pragmatism prevailed at last. Britain agreed that “talks would be held on the basis of the Joint Declaration, the principle of convergence with the Basic Law and the agreements and understandings previously reached.”94 The two sides announced on 13 April 1993 that they would start negotiation on electoral arrangements for the 1995 elections. The Hang Seng Index responded by a record-high one day rise of 371 points. But this optimistic atmosphere did not last long. The subsequent 17 rounds of talks from April to November of 1993 in Beijing failed to resolve the differences between the British and Chinese governments.95
With the full backing of Major and his cabinet, Patten sent his proposals to the LegCo for approval. On 23 February 1994, despite the threats from China, the LegCo approved overwhelmingly the first part of Patten’s reform package--lowering the voting age to 18, adopting the “single seat, single vote” system for all elections, abolishing appointed members from district and municipal councils and allowing Hong Kong delegates to the NPC to stand for election in Hong Kong. On 30 June 1994, the LegCo passed, after a 17½ hours debate, Patten’s constitutional package to widen its electoral base by a comfortable 32-24 margin. The voting in the LegCo means the end of the Sino-British talks on Patten’s reform package. China’s next step was the acceleration of its preparation of a “second stove” for Hong Kong.

China’s “Second Stove” for the HKSAR

The term, “second stove,” has two different interpretations. The first, which was the official one put forward by the Chinese government, was that a new set of political institutions need to be set up on 1 July 1997 as the old ones under British rule would not be in conformity with the Basic Law and would have to be dismantled. The second, which reflected the reality, was that the “second stove” was a “shadow government” that operated before 1997.

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96. A counter-proposal by the business-oriented Liberal Party that would have reduced the size of the LegCo’s electorate was defeated by only one vote. Legislator Martin Barrow (a director of British hong Jardine Matheson which has openly supported Patten’s proposals and thus drew heavy criticism from China) abstained from voting on Patten’s and the Liberal’s proposals. Another proposal, made by Emily Lau, a well-known liberal-minded legislator was also defeated. Lau’s proposal called for universal suffrage for all 60 LegCo seats in 1995 (Asia 1995 Yearbook. Hong Kong: Far Eastern Economic Review, 1995, pp.121-122).


98. Ibid..
The first move in constructing the shadow government for the HKSAR was the creation of the Preliminary Working Committee (PWC) on 16 July 1993. It had a membership of 57, 30 of whom were from Hong Kong. An additional 13 members (8 from Hong Kong) were added to the PWC on 12 May 1994. The Hong Kong members were mostly Hong Kong deputies to the NPC, former Basic Law drafters, and China-appointed Hong Kong Affairs Advisers. No one from the liberal camp was appointed to the PWC. In short, the creation of the PWC marked the beginning of the Chinese government’s unilateral preparation for transition.

Since nowhere in the Joint Declaration or the Basic Law has it been mentioned that the PWC would be formed before the inauguration of the Preparatory Committee (PC, an organization responsible for the construction of the first HKSAR government), the Hong Kong government did not recognize its legitimacy and therefore refused to cooperate with it. Also, civil servants were not allowed to have any forms of formal contact with the PWC. Nonetheless, the PWC did not refrain from acting like a shadow government. It started its work with five subgroups covering political, economic, legal, cultural and education, and security issues. Two more were added in July 1994 covering external economic relations and trade relations with China. As Lo Chi-kin points out, the PWC virtually wrote the policy programme for the first HKSAR government. It has also commented on many Hong Kong government policies of the day.

Following China’s decision to end the terms of office of all three tiers of representative assemblies (District Boards, Urban and Regional Councils and the LegCo) by 30 June 1997, the PWC suggested that a provisional legislature should be set up before 1997. The PWC claimed that to avoid the problem of “a legislative vacuum” resulted from the dismantling of the LegCo after July 1997, there was a necessity to institute a provisional legislature. Regardless of how outrageous this proposal was, it was formally endorsed by the second plenary meeting of the PC in March 1996. Members of the provisional legislature would be selected by the Selection

99. As a strategy of the united front approach, on 11 March 1992, China began to appoint conservative politicians and businessmen to advise her on Hong Kong affairs. Chosen in four batches in March 1992, March 1993, April 1994, and April 1995, there were 186 Hong Kong Affairs Advisers in total.

100. Lo, op. cit., p. 33.
Committee.

The PWC was dismantled after the PC was formed on 26 January 1996. The PC’s establishment brought to a close the four years of Sino-British dispute over Patten’s political reforms. As stipulated in the Basic Law, the PC was entrusted with the tasks of preparing the formation of the first HKSAR and prescribing the specific method for forming the first HKSAR government and the first LegCo. The PC comprised 150 members, 94 of them were from Hong Kong. All members of the PWC were retained as members of the PC. Other Hong Kong members were mostly conservative businessmen and long-time Beijing loyalists. As the PC was recognized in the Basic Law, the Hong Kong government was willing to cooperate with it in its operation. When the PC formed the Selection Committee on 2 November 1996, the focus of the Hong Kong public was on the selection of the first HKSAR Chief Executive. The Selection Committee elected Mr. Tung Chee-hwa, a conservative shipping tycoon, to be the first HKSAR Chief Executive on 11 December 1996. After that, the Selection Committee went on to select the 60-member Provisional Legislative Council (PLC) on 21 December. By then, China’s “second stove,” comprised of the Chief Executive-elect and the PLC, was ready to take over Hong Kong when the time came.

Conclusion

The settling of Hong Kong’s future began in 1984. The later part of Hong Kong’s 13-year long transition period was anything but smooth. Externally, the souring of Sino-British relationships over Patten’s political reforms, and the construction of China’s second stove, had made the Hong Kong government’s lame duck image increasingly apparent. This was especially so after the selection of the first HKSAR Chief Executive and the founding of the PLC. Internally, different political parties had argued vigorously over: Patten’s political reforms and China’s response to it; the establishment of the PWC and the PLC (both lacked legitimacy because they were not prescribed in the Basic Law); and the small coterie mentality which China had shown in appointments to the PC.

These debates and controversies had greatly increased the degree of Hong Kong’s politicization and further aroused the political awareness of its people. The Hong Kong public was no longer a unique populace interested above all else in the satisfaction of immediate desires
and short-term economic gain as Hugh Baker observed in the early 1980s.\textsuperscript{101} In the mid-1990s, more and more Hong Kong people were willing to stand up and have their opinions known. A clear indication of this shift in the character of the Hong Kong people was evident in the 1995 LegCo election. Held on 17 September 1995, the citizens of Hong Kong showed their disapproval of China’s high-handed Hong Kong policy by giving the liberals a landslide victory. The Democratic Party won the largest number of seats—19 in the 60-seat LegCo. By contrast, the pro-China party, the Democratic Alliance for the Betterment of Hong Kong, supported by the Chinese government, won only 6 seats.\textsuperscript{102}

Furthermore, as Patten stopped the practice of appointing members of the LegCo to sit in the ExCo, the duty of selling the government policies to the public and LegCo was solely on the shoulders of senior civil servants. The once faceless and anonymous bureaucrats were, and still are, under the spotlight. Inevitably, they became more involved in politics. People began to question their responsiveness to the policy agenda of the incoming government. We examine this subject in greater detail in Chapter 5.

In conclusion, Hong Kong became a highly politicized society in the last minute of its colonial history. The bitter debate on Hong Kong’s political development, the contest between the executive and legislature, the ingrained mistrust of the Chinese government, and the dominance of civil servants in Hong Kong’s political affairs did not stop with the end of Hong Kong’s colonial history. The HKSAR, having inherited these colonial legacies, is still completing its transition from a colony to a special administrative region.

\textsuperscript{101} Hugh D. R. Baker, “Life in the Cities: The Emergence of Hong Kong Man,” \textit{The China Quarterly} No. 95 (September 1983): 469-479.

\textsuperscript{102} Even though China publicly announced that it would dismantle LegCo after the handover, it did encourage her supporters to actively participate in the 1995 LegCo election so as to contain the influence of the liberals in the legislature. The pro-China conservatives did pretty well in the functional constituencies elections. In total, China’s supporters won 16 seats in the 60-member LegCo.