

China Ends in Hong Kong

Will Peking Abrogate Self-Government?

Kay Möller

On 26 April 2004, the Head of the Hong Kong Special Administrative Region communicated the People's Republic of China (PRC) leadership's decision not to allow democratic elections in the former British colony for the foreseeable future. Some observers have qualified this move as a breach of the 1990 Basic Law in which Hong Kong had been promised "a high degree of autonomy" including the possibility of free and direct elections from 2007 onwards. Since July 2003, the territory's citizens have twice taken to the streets in the hundreds of thousands. As of today, according to the academic Hong Kong Transition Project, some 80 percent of citizens have adopted the demand for democratisation. Should China maintain its hardline approach, it risks endangering the fragile equilibrium of economic openness and nationalism on which the PRC's stability has thus far been founded.

The decision announced by Chief Executive Tung Chee-hwa was unsurprising to the extent that the Standing Committee of the National People's Congress (NPC) had earlier judged that any amendments made to the Special Administrative Region's (SAR) electoral laws would require Peking's consent. This referred foremost to the election in 2007 of a new SAR Head (as of today, the Chief Executive is identified by an electoral caucus convened by Peking) and in 2008 of a new Legislative Council (Legco) where, presently, less than half of the deputies are elected directly (with remaining MPs being voted in indirectly by so-called functional constituencies).

Politicisation and Escalation

The present crisis started in late 2002 when Tung Chee-hwa tried to comply with China's request to enact article 23 of the Basic Law which forbids "subversive and seditious activities" directed against the central government as well as forbidding the establishment of relations between local and foreign political organisations. The controversy initially centred on the issue of subversion, a category unknown in Hong Kong's common law, and the prohibition to enter into contact with, for instance, Taiwanese groups viewed as "subversive" by Peking.

Following the first mass demonstrations in December 2002, the SAR government revised its draft and tried to accommodate

critics on one account by introducing a narrower definition of state secrets. Nevertheless, some 500,000 citizens took to the streets on 1 July 2003 calling for the Chief Executive to resign. Furthermore, the dispute about the security laws was only the trigger for a protracted wave of protests. Tung's approval rating had dramatically fallen amidst the backdrop of economic stagnation and the SARS epidemic that in Hong Kong had resulted in several hundred dead. At the same time, the democratic opposition linked its protest to calls for free and direct elections of the legislature and of the SAR Head. Caught unaware by the sudden politicisation of the territory, the Chinese leadership appointed a high-level task force and dispatched investigative teams.

At that point, Tung decided to defer introducing the drafts to the Legco until September 2003. This plan was foiled as well, however, when the leader of the (conservative, pro-China) Liberal Democrats demanded a further delay and left the cabinet when this was not forthcoming. The official in charge of security resigned, and the SAR government now said it would consult the public on the issue of political reform. Tung Chee-hwa travelled to Peking to meet head of party and state Hu Jintao. While expressing "extreme concern" over developments in Hong Kong, Hu assured Tung of his continued support. At the same time, he insisted on the security laws being passed after consultations. In the meantime, the protesters had received moral support from Washington, London, and Taipei which led China to hint at a US-inspired "conspiracy."

In November 2003, democratic candidates won two-thirds of all seats in district elections. On 1 January 2004, some 100,000 citizens demonstrated in favour of free elections to choose the Chief Executive by 2007 and the Legco by 2008. In September 2004, half of all Legco members for the first time will be freely elected. Should pro-democracy parties, with some help from functional constituencies, win a majority,

the SAR government would probably find itself paralysed.

"One Country, Two Systems"

Hong Kong's constitutional problems are the result of contradictions inherent in the "One Country, Two Systems"-formula coined by Deng Xiaoping in the early 1980s. It was under this heading that the Basic Law conferred "a high degree of autonomy" upon the SAR in all policy fields with the exception of foreign affairs and defence. However, the same law prescribes the maintenance of Hong Kong's "previous" (i.e. paternalistic-capitalistic, colonial) system for 50 years following its handover by Britain on 30 June 1997. Lastly, the Basic Law contains certain elements of a liberal system (limited accountability of the executive branch vis-à-vis the legislative, independent courts, democratic freedoms, and the possibility mentioned before to elect both the Chief Executive and the Legco through universal suffrage from 2007 onwards).

After the handover, Peking had succeeded in containing the democracy movement by suspending the limited democratisation initiated by Hong Kong's last British governor. At the same time, and under the impact of the East Asian crisis, the public debate shifted from the China issue to economic and social topics hitherto neglected by the democrats. Tung Chee-hwa thus was able to push through a number of legally dubious decisions (such as seeking the NPC's help in repealing a judgement by the SAR's Court of Final Appeal on the right of abode for children born on the mainland). At the same time, his approval ratings continued to decline amidst the backdrop of two consecutive recessions, an increase in poverty, and the arrival of SARS. Shortly afterwards, the controversy about the security laws prompted democratic parties to link up with grassroots and civil movements that had started addressing the socioeconomic issues. Criticism of Tung's administration could now even be heard

from the ranks of traditionally conservative business people.

Following a protracted period of silence, the Peking leadership in February 2004 published a re-interpretation of the SAR's rules of self-government according to which "One Country" would enjoy precedence over "Two Systems," "self-government" basically would mean government by "patriots," and "a high degree of autonomy" would mean "self government with the approval of the central government." At the same time, it was intimated that criticism of the security laws would be viewed as "unpatriotic," and the mainland denied entry to individual critics even as members of official delegations. An anonymous member of the politburo threatened that the Legco could be dissolved if pro-democratic forces won a majority in the September elections. Head of party and state Hu Jintao called for a review of Hong Kong's autonomous status.

The Limits of Revisionism

The importance of the Hong Kong controversy follows from the fact that the Chinese leadership, since the beginning of Deng Xiaoping's reforms, has been drawing its legitimation from two latently contradictory sources: the provision of growth through opening up economically and the rectification of so-called humiliations inflicted upon the Middle Kingdom in the nineteenth century by Western powers and Japan, the residual expression of which would be Taiwan's independent existence. Deng had intended Hong Kong's return under the "One Country, Two Systems" formula to provide a blueprint for unification with Taiwan. A failure of this approach could provoke nationalist responses among intellectuals in Peking or Shanghai that, given the lack of democratic channels of communication, would sooner or later threaten the survival of the communist leadership. Such a scenario would also be relevant to the extent that

the PRC's opening-up has exacerbated inequality, epidemics, and corruption.

Whereas the logical consequence would therefore consist of tolerating an orderly process of democratisation, Peking's latest decisions would appear to go in the opposite direction. The Chinese leadership, from their impressions of democratisation in Taiwan and of Taipei's recent policies, would thus have concluded that such processes tend to encourage separatism. Following President Chen Shuibian's re-election on 20 March 2004 in the wake of a campaign centred on independence, Peking warned about "turmoil" in the island. In case of "turmoil," the PRC reserves itself the right to intervene militarily, and the hard-line approach applied to Hong Kong could also signal forthcoming tensions in the Taiwan Strait.

A less dramatic interpretation would stress the rather unconstructive role played by Tung Chee-hwa himself when responding to Hong Kong's democratic aspirations. Rather than show any urgency about launching consultations with the public, Tung created a task force for "constitutional development" that, on request of the Chinese leadership, travelled to Peking first. The task force's head has announced the publication of first proposals for "the next stage of electoral law reform" for the month of May. Tung also influenced the NPC's decision regarding the necessity to seek approval for any such reform by informing Peking in writing that the SAR was "not ready" for general suffrage.

The situation has been further complicated by the fact that China's previous head of party and state, Jiang Zemin, continues to influence his successor's policies both through his chairmanship of the Central Military Commission and the presence of his associates in the politburo's standing committee (in July 2003, one of Jiang's stalwarts was trusted with the chair of the newly created task force on Hong Kong). Some observers have suggested that once Jiang has stepped down from the Military Commission, Hu could opt for a more

liberal line on both Taiwan and the issue of political openness (and thus democratisation in Hong Kong). For the time being, however, there is little evidence to support this thesis, and the scenario remains highly speculative.

It therefore cannot be ruled out that the revisionist agenda will either neutralise or at least complicate the economic agenda. Neither can it be ruled out that the revisionist agenda will be translated into proactive nationalism, given the rapidly increasing number of modernisation losers on the mainland. The stakes are considerable. Most probably, there will be more mass demonstrations in Hong Kong on 4 June 2004 (the 15th anniversary of the Tiananmen massacre) and 1 July 2007 (the 7th anniversary of the takeover by China).

These developments could also prompt international complications. The US administration, for example, is obliged to annually report to Congress on the shape of Hong Kong's autonomy. In case of a serious hollowing-out of self-government, the American president can withdraw certain privileges from the SAR. A renewed China debate in the US would also prevent the administration from assuming a mediating position between Peking and Taipei.

The root of the problem is the Chinese leadership's lack of understanding of the dynamics of democratisation and democracy. By picturing both as enemies instead of viewing them as results of successful industrialisation and growing interdependence, Peking not only alienates the respective societies but also closes its eyes to similar developments on the mainland itself. Therefore, rather than the PRC changing Hong Kong and Taiwan, the latter would appear to be changing the PRC. It is thus that China ends in Hong Kong.

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SWP
Stiftung Wissenschaft und Politik
German Institute for International and Security Affairs

Ludwigkirchplatz 3-4
10719 Berlin
Telephone +49 30 880 07-0
Fax +49 30 880 07-100
www.swp-berlin.org
swp@swp-berlin.org