Issues & Studies 33, no. 9 (September 1997): 82-112

External Actors and Internal Dynamics: Hong Kong's Democratization Under British Rule

Stephen Au Yeung Chi Kong

This article argues that the People's Republic of China (PRC) simultaneously aided and constrained democratization in Hong Kong under British rule. Due to the interference of the PRC as an external actor, Hong Kong thus evolved through three periods of democratization before the transfer of sovereignty: (1) a pre-democratization era before 1982; (2) a period of limited democratization between 1984 and 1991; and (3) a phase of further democratization in the period 1992-97.

The Hong Kong case supports Samuel P. Huntington's argument that external actors can hinder or promote democratization in another sovereign country in order to achieve top national policy objectives. However, in contrast to Huntington and Adam Przeworski's, the PRC stimulated, helped, and constrained political transition throughout the period under discussion. As Hong Kong has been politically absorbed into China, China played a more important role in the democratic transition than Huntington and Przeworski assume. The Hong Kong case therefore represents a unique example in democratization under external influence.

Keywords: external actors; internal dynamics; Hong Kong; democratization; Britain

* * *

The year 1997 is significant for Hong Kong's democratic transition since the People's Republic of China (PRC) has promised Hong Kong "a high degree of autonomy" after its resumption of sovereignty on July 1, 1997. The

---

Stephen Au Yeung Chi Kong received an M.Phil. degree from the Division of Social Science, Hong Kong University of Science and Technology, in May 1996. This article is an updated and revised version of his M.Phil. thesis entitled "External Actors and Democratization: The Hong Kong Case." The author wishes to thank Dr. Lo Shiu-hing, Dr. Alfred Hu, and Dr. Julian Groves for their invaluable guidance. Special thanks must be made to seven local politicians for interviews held between October 1994 and February 1995.

promise raised the hope that Hong Kong's own citizens would run its domestic affairs without much Chinese interference except in foreign and defense issues. The PRC, which was the most important external actor before the sovereignty transfer, therefore triggered political transition in the territory. Democratization in Southern and Eastern Europe, Latin America, and East Asia between the 1970s and 1990s has also revealed the significant roles played by such external actors as the United States, the Soviet Union, and the European Community. They have induced, promoted, or refrained from preventing the establishment of democratic institutions in these former communist countries and authoritarian regimes.[1] China, the United States, the Soviet Union, and the European Community have thus helped shape the course of democratization in areas within their respective spheres of influence. However, democratic transition under strong external influence has only recently emerged as a major field of study.[2] Even some prominent political scientists such as Samuel P. Huntington and Adam Przeworski, as I shall show later, still stress internal rather than external aspects of democratization. The aim of this article is to use Hong Kong as a case study to show how external actors help and constrain democratic transition. In essence, it attempts to explore different phases of democratization resulting from external interference.

Analytical Concepts

The analytical concepts of this article are largely adapted from two theories of democratization expounded by Huntington and Przeworski.[3] The

---

[1]For the U.S. role in the worldwide trend of democratization, see Tony Smith, *America's Mission: The United States and the Worldwide Struggle for Democracy in the Twentieth Century* (Princeton, N.J.: Princeton University Press, 1994). For the Soviet Union's role, see Adrian G. V. Hyde-Price, "Democratization in Eastern Europe: The External Dimension," in *Democratization in Eastern Europe: Domestic and International Perspectives*, ed. Geoffrey Pridham and Tatu Vanhanen (London: Routledge, 1994), 220-52. For the European Community's role, see Laurence Whitehead, "Democracy by Convergence: Southern Europe," in *The International Dimensions of Democratization: Europe and the Americas*, ed. Laurence Whitehead (New York: Oxford University Press, 1996), 261-84.

[2]See, for example, Laurence Whitehead, "International Aspects of Democratization," in *Transitions from Authoritarian Rule: Comparative Perspectives*, ed. Guillermo O'Donnell, Philippe C. Schmitter, and Laurence Whitehead (Baltimore: The Johns Hopkins University Press, 1991), 3-46; and "Democracy by Convergence and Southern Europe: A Comparative Politics Perspective," in *Encouraging Democracy: The International Context of Regime Transition in Southern Europe*, ed. Geoffrey Pridham (New York: St. Martin's Press, 1991), 45-61.

[3]Huntington's and Przeworski's theories of democratization represent the structural and game-theory approaches, respectively. This article, however, does not intend to consider the "world system" approach suggested by sociologist Immanuel Wallerstein to discuss Hong Kong's de-

concepts consist of a number of actors: hard-liners and soft-liners within a governing coalition and democrats and conservatives on the side of political opposition.

Huntington's "third wave" transition model mainly proposes that transition is largely an internal process involving government and its opposition.[4] Under favorable conditions such as economic development[5] and certain regime types,[6] Huntington argues, there will be a struggle between hard-liners and soft-liners in the government and democrats and conservatives in the opposition;[7] soft-liners and democrats are supporters of democratization, while hard-liners and conservatives are opponents of political transition.[8] The relative strength of and interaction between supporters and opponents of democratization in the government and opposition, which is largely an internal process, determines the success of transition.[9] To Huntington, phases of democratization may appear because of the changing strength and alliances between domestic political actors.[10]

Emphasizing the indigenous nature of the transition process, Huntington argues that external actors play a marginal role in "third wave" democratiza-

---

mocratization. World system theorists argue that democratization is part of global trends that vary geographically and with time. For the application of world system theory in Hong Kong's transition, see Alvin Y. So and Shiping Hua, "Democracy as Antisystemic Movement in Taiwan, Hong Kong, and China: A World Systems Analysis," *Sociological Perspectives* 35, no. 2 (1992): 385-404.

[4]According to Huntington, the "third wave of democratization" began in 1974 and has continued up until now. Huntington defines "a wave of democratization" as "a group of transitions from nondemocratic to democratic regimes that occur within a specified period of time and that significantly outnumber transitions in the opposite direction during that period of time." See Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman: University of Oklahoma Press, 1991), 15.

[5]Huntington argues that five favorable conditions help "third wave" democratization. See ibid., 45-46.

[6]According to Huntington, the type of preceding regimes shapes the type of transition. See ibid., 115-21.

[7]Huntington uses "standpatters" and "reformers" to refer largely to hard-liners and soft-liners in the government, respectively; "democratic moderates" and "revolutionary extremists" refer to democrats and conservatives in the political opposition, respectively. In Hong Kong's case, I prefer to use hard-liners, soft-liners, democrats, and conservatives for easy reference. See ibid., 121.

[8]Ibid., 121-22.

[9]Huntington identifies three types of transition based on the relative strength of supporters and opponents of democratization. According to Huntington, "transformation only [occurs] if reformers [are] stronger than standpatters, if the government [is] stronger than the opposition, and if the moderates [are] stronger than the extremists." In replacements, "the opposition eventually [must] be stronger than the government, and the moderates [must] be stronger than the extremists." In transplacements, "the central interaction [is] between reformers and moderates not widely unequal in power, with each being able to dominate the antidemocratic groups on its side of the line between the government and the opposition." Ibid., 124.

[10]Ibid., 39.

tion.[11] According to him, external actors do not possess the legitimate authority to interfere in domestic affairs belonging to another sovereign country.[12] For example, the Vatican, the European Community, the United States, and the Soviet Union are external to Catholic countries, South and East European countries, and Latin American and Asian countries. To Huntington, external actors can hinder as well as promote democratization even in the current "third wave" transition era.[13] The motives of interference largely depend on the national policy priorities of the external actors,[14] and external actors can interfere in democratization in various ways, according to Huntington. For example, the European Community membership provides "an economic incentive and a political anchor"[15] for authoritarian countries in Southern Europe to democratize. In brief, external actors are not so decisive to "third wave" democratization. As Huntington remarks, "As with the Catholic Church, the absence of the United States from the [third wave democratization] process would have meant fewer and later transitions to democracy."[16] To Huntington, the most important determinant of democratic transition is the internal interaction between supporters and opponents of democratization in the government and the political opposition.

Przeworski largely ignores external aspects of democratic transition and mainly concentrates on the interaction between four major domestic actors from two opposite blocs: (1) hard-liners and soft-liners in the authoritarian governments and (2) democrats and conservatives in the political opposition.[17] Like Huntington, Przeworski argues that soft-liners and democrats support democratization while hard-liners and conservatives oppose democratization.[18] To Przeworski, the strategic choices made by soft-liners and democrats to form alliances with each other determine the transition to

---

[11]Ibid., 112.

[12]Ibid., 85.

[13]Ibid., 85-86.

[14]Ibid., 87.

[15]Ibid., 89.

[16]Ibid., 98.

[17]Adam Przeworski, *Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America* (Cambridge: Cambridge University Press, 1991), 67. Przeworski uses "reformers" to refer largely to soft-liners in the government; "moderates" and "radicals" refer to democrats and conservatives in the opposition, respectively. In Hong Kong's case, I prefer to use soft-liners, democrats, and conservatives for easy reference. Moreover, the application of formal game theory in analyzing democratic transition is beyond the scope of this article.

[18]Ibid., 67-68.

democracy.[19] However, soft-liners will not choose to ally with democrats to achieve democratization; instead, in Przeworski's words, soft-liners will always choose "to ally with the hard-liners"[20] simply because soft-liners lack political strength of their own and will perform very poorly under democracy. Furthermore, democrats may forge an alliance with conservatives to achieve full democracy without special guarantees for outcast hard-liners.[21] In short, Przeworski suggests that democratization is mainly an internal process involving "a struggle of the society against the state."[22] External actors are largely absent from his democratization theory.

A Profile of Hard-Liners and Soft-Liners in Colonial Hong Kong

In terms of the analytical concepts outlined above, the author has found that there were at least five major actors in local democratization politics before the sovereignty transfer: the PRC; the hard-liners and the soft-liners within the British and Hong Kong governments; and the democrats and the conservatives in Hong Kong society (see table 1). Arguably, China was the external actor before July 1, 1997, because Hong Kong was still under British administration and thus Britain remained one of the domestic actors until the handover. Logically, the PRC has ceased to be the external actor since the change of sovereignty and is now the sovereign master of the territory. This fact of unquestionable sovereign rights[23] and ultimate reversion of Hong Kong makes the PRC the strongest actor.

As argued above, Huntington suggests that external actors' national policy objectives provide the strongest impetus to intervene in transition. In Hong Kong's case, sovereignty and national security largely motivated the PRC to interfere in the transition after the late 1970s. China regards the recovery of sovereignty as an important step toward reunification with Macau and Tai-

---

[19]Ibid., 68.

[20]Ibid., 70.

[21]Ibid., 70-71.

[22]Ibid., 66.

[23]The Chinese official position on Hong Kong's sovereignty is that the Chinese government has the legitimate authority to recover Hong Kong at any time or at least on June 30, 1997 when the lease on the New Territories has expired. The PRC has regarded the treaties ceding Hong Kong island and Kowloon and leasing the New Territories to be unequal and thus invalid. See Kevin P. Lane, *Sovereignty and the Status Quo: The Historical Roots of China's Hong Kong Policy* (San Francisco: Westview Press, 1990), 4-7.

Table 1
The External Actor, and Hard-Liners and Soft-Liners Within and Outside the British and Hong Kong Governments Before July 1, 1997

	Hard-Liners	Soft-Liners
Within British and Hong Kong governments	1. Former governors Alexander Grantham, David Trench, and David Wilson	1. Former governors Mark Young, Murray MacLehose, Edward Youde, and Chris Patten
	2. Former prime minister's foreign affairs adviser Percy Cradock and former foreign secretary Geoffrey Howe	2. Former prime minister John Major and former foreign secretary Douglas Hurd
Outside British and Hong Kong governments	1. LDF, LP, HKPA, and DAB	1. DP, ADPL, and HKDF
	2. FTU	2. Pro-Taiwan trade unions and independent unionists like Lau Chin-shek
External actor	PRC	—

wan, and democratic reforms in Hong Kong under British rule left power to the indigenous population, which was unacceptable to the mainland Chinese leaders. The PRC thus strongly opposes major constitutional changes which will likely lead to independence or semi-independence. During Hong Kong's transition period from 1984 to July 1, 1997, China tried to constrain democratic development so as to maintain the effective exercise of sovereignty after reunification. Furthermore, the sense of insecurity posed by democratization caused the communist regime to postpone political reforms in the colony before the handover. The PRC was concerned after the Tiananmen massacre in June 1989 that the Hong Kong people might establish a democratic system on its doorstep, or in a far worse scenario, construct a counterrevolutionary base in the name of democracy. The PRC therefore insisted that political reforms should be strictly controlled so that democrats would have no chance of gaining power in the Legislative Council (Legco, the highest lawmaking body under the British administration) to threaten the mainland's communist government.

The different practices of former colonial governors, British prime ministers, British foreign secretaries, officials in the British Foreign Office, and others who were responsible for Hong Kong affairs in London in hindering and promoting democratization are analogous to the division between hard-

liners and soft-liners as discussed by Huntington and Przeworski. As hard-liners, former governors Alexander Grantham, David Trench, and David Wilson, Sir Percy Cradock (Mrs. Margaret Thatcher's foreign affairs adviser), and Lord Geoffrey Howe (the former foreign secretary) wanted to limit the scope and decelerate the pace of political reforms to secure a smooth transition. Former governors Mark Young, Murray MacLehose, Edward Youde, and Chris Patten, John Major (the former prime minister), and Douglas Hurd (the former foreign secretary) were soft-liners trying to widen and accelerate democratic development. Nevertheless, neither hard-liners nor soft-liners in the British and Hong Kong governments possessed political power comparable to the external actor, the Chinese government, who is Hong Kong's sovereign master.

The division of political opposition into democrats and conservatives as discussed by Huntington and Przeworski was largely present in pre-1997 Hong Kong. The local democrats wanted a wider scope and a faster pace of democratization than agreed to by the external actor (the PRC), hard-liners, and conservatives. Specifically, democrats in Hong Kong demanded that members of the legislature be directly elected. They were highly suspicious of China, who they believed would not keep the promise of allowing Hong Kong "a high degree of autonomy."[24] In Hong Kong's case, democrats (or soft-liners outside the government) were largely middle-class professionals such as doctors, lawyers, teachers, university lecturers, social workers, and some priests, as Huntington argues.[25] Included here were lawyer Martin Lee Chu-ming, social worker Hui Yin-fat, physician Leong Che-hung, university teacher Yeung Sum, Rev. Fung Chi-wood, Emily Lau, and Szeto Wah. In practice, they formed political groups to participate in elections after 1982. Some major democratic political parties were the Hong Kong Democratic Party (DP, 1994),[26] the Association for Democracy and People's Livelihood

[24]For example, Szeto Wah, a leading democrat, expresses the worry that while democratic Britain protected Hong Kong's human rights and provided rule of law during the colonial era, Hong Kong's future will be bleak under socialist China. Personal interview, November 11, 1994. Pro-Beijing Tsang Yuk-sing labels the democrats as "anti-communist democrats." Personal interview, November 3, 1994.

[25]To Huntington, the "middle class" refers to teachers, doctors, lawyers, administrative workers, salesmen, and technicians. See Huntington, *The Third Wave*, 67.

[26]The United Democrats of Hong Kong (UDHK, 1990) and the Meeting Point (MP, 1983) merged to form the Hong Kong Democratic Party in 1994. See *South China Morning Post*, October 3, 1994, 1. For the reason of the merger, see Chow Sung-ming, "Political Organizations and Political Change in Late Transitional Hong Kong–Interorganizational Cooperation and Conflict" (M.Phil. thesis, The Chinese University of Hong Kong, Division of Sociology, 1992), 24-25.

(ADPL, 1980),[27] and the Hong Kong Democratic Foundation (HKDF, 1989).[28]

Before the sovereignty change in Hong Kong, political conservatives opposed rapid democratization but were not all "left-wing, revolutionary, and Marxist-Leninist," as Huntington argues.[29] Instead, they were mostly upper class, or capitalists such as big businessmen, rich bankers, industrialists, and estate developers,[30] some of whom had considerable investment in China. Conservatives in Hong Kong (or hard-liners outside the colonial regime) were mostly interested in maintaining economic prosperity in order to make profits and were keen in opposing democratic reforms that they thought might lead to generous welfare policies. By supporting China's Hong Kong policy, they also wanted to protect and expand their businesses in the mainland. Some noted Hong Kong conservatives were industrialists Ngai Shiu-kit and Allen Lee Ping-fai and District Board Chairman Ambrose Lau Hon-chuen. They formed political groups like the Liberal Democratic Federation (LDF, 1990), the Liberal Party (LP, 1993), and the Hong Kong Progressive Alliance (HKPA, 1994) to compete with democrats in municipal, district, and territorial-level elections.

It should be stressed that in colonial Hong Kong, the middle and upper classes were not homogenous, as discussed by Huntington and Przeworski. Some sections of the middle class were nationalists in the sense that they opposed the use of democratization to prevent China's resumption of sovereignty and strongly believed that China should recover its sovereignty over Hong Kong. At the same time, they opposed pro-China industrialists for ignoring middle class and lower working class interests. For example, the Democratic Alliance for the Betterment of Hong Kong (DAB, 1992) headed by Tsang Yuk-sing opposed rapid democratic development as well as the conservative business-oriented HKPA.[31] However, some liberal-minded entrepreneurs and

---

[27]The UDHK, MP, and ADPL were known as "Big Three" democratic parties in the 1990s. See Chow, "Political Organizations and Political Change," 23.

[28]For a detailed study of early political group formation, see Leung Hon-chu, "Political Action in Compressing Space: A Study of Political Activist Groups in Hong Kong" (M.Phil. thesis, The Chinese University of Hong Kong, Division of Sociology, 1986), particularly chap. 3 ("Origin and Development of Political Activist Groups: A Historical Account," 25-53) and chap. 5 ("Selected Case Studies: A Cross-Sectional Analysis," 75-102).

[29]Huntington, *The Third Wave*, 121.

[30]The main distinction between the capitalist class and other classes in modern society is that the capitalists or upper classes possess property or means of production such as capital and land. See Tom Bottomore, *Classes in Modern Society*, 2nd edition (London: Harper Collins Academic, 1991), 42-47.

[31]Leung Yiu-chung and Christine Loh Kung-wai suggest that the pro-China camp was divided into conflicting fractions because of different class interests. Personal interviews with Leung, October 25, 1994; and with Loh, February 21, 1995.

industrialists favored democratic reforms which would create a stable political environment conducive to investment. The liberal faction within the conservative camp included businessman Vincent Lo Hong-sui of the Business and Professional Federation of Hong Kong (BPF) and other business groups supporting a faster pace of democratization between 1989 and 1992.

Workers in Hong Kong under British rule also played a role in pushing political reforms–a notion that Huntington and Przeworski have not discussed. The Hong Kong working class was politically divided into three groups: pro-PRC, pro-Taiwan, and independent. The Hong Kong Federation of Trade Unions (FTU), one of Hong Kong's oldest leftist trade unions, opposed rapid democratization but disagreed with the pro-China business groups such as HKPA on social welfare policies and labor interests. Pro-Taiwan trade unions were very few and small, and hoped for the maintenance of a capitalist system and a democratic political structure in Hong Kong after 1997. Some trade unions were neither pro-PRC nor pro-Taiwan, strongly supporting democratization. Independent trade unionists such as Lau Chin-shek shared the views of many democratic, middle-class professionals in supporting political reforms and establishing a democratic system well before 1997.

In pre-1997 Hong Kong, the democrats and the conservatives were at different levels of strength. The democrats were relatively weak and were widely supported by citizens only after the Tiananmen Incident. However, a large number of middle-class professionals left Hong Kong because of their loss of confidence over Hong Kong's future. On the other hand, many big businessmen, industrialists, and professionals were councilors in the Executive Council (Exco, the top policymaking body in the territory before the handover) and Legco, and had been the main targets of the Chinese government's co-optation. However, the conservatives split over whether to favor Beijing or protect their interests. One example was the disagreement between the DAB and the HKPA.[32]

The Pre-Democratization Era Before 1982

As a result of the PRC's interference in transition politics, Hong Kong evolved through three major periods of democratization under British rule: (1)

[32]Ibid. For the conflict and cooperation among various political groups in the late transition period, see Chow, "Political Organizations and Political Change."

a pre-democratization era before 1982; (2) a period of limited democratization between 1984 and 1991; and (3) a phase of further democratization in the period 1992-97. Huntington argues that "the causes of democratization are . . . varied and their significance over time is likely to vary considerably."[33] In Hong Kong, each period of democratization was characterized by different alliances between the external actor, hard-liners, soft-liners, democrats, and conservatives. Arguably, the external actor before the changeover (the PRC) attempted to collaborate with hard-liners and conservatives to constrain democratic reforms before the handover.

The hard-liners in the Hong Kong government dropped reform proposals before 1982 for fear of the external actor's disapproval of democratization. The Chinese sovereignty claims worried hard-liners, who then abandoned political reforms in the post-World War II years.[34] As a result, there was little progress of democratic development in the pre-1982 era.

The External Actor and the Hard-Liners

Two attempts at democratization in 1952 and 1967 were abandoned as a result of the informal collaboration between the external actor (China), former hard-line governors, and Exco and Legco unofficial members. The first attempt was the introduction of municipal councils proposed by former governor Mark Young in 1948.[35] However, Alexander Grantham, Young's successor, was a hard-liner and decided to abandon political reforms four years later. He feared that the Chinese government would not accept any constitutional changes that would likely lead to independence in the Chinese conception. Moreover, he was worried about the growing influence of the Chinese Communists in the territory if elected elements were introduced in municipal councils according to this "Young Plan."[36] He wrote, "Another peculiarity affecting Hong Kong's constitutional situation is the danger that, in a democratically elected legislature, the politics of China–as distinct from those of the Colony–would be a constant issue, which would have a most disturbing ef-

---

[33]Huntington, *The Third Wave*, 39.

[34]The most commonly accepted explanation for the lack of democratic reforms in Hong Kong is, in addition to the China factor, the political indifference of the Hong Kong Chinese. See, for example, Norman Miners, *The Government and Politics of Hong Kong*, 3rd edition (Hong Kong: Oxford University Press, 1984), 39-42. In another article, Miners further argues that the China factor was only important after 1949. See Norman Miners, "Plans for Constitutional Reform in Hong Kong, 1946-52," *The China Quarterly*, no. 107 (September 1986): 463-82.

[35]For details of the Young Plan, see Miners, "Plans for Constitutional Reform in Hong Kong."

[36]Steve Tsang Yui-sang, *Democracy Shelved: Great Britain, China, and Attempts at Constitutional Reform in Hong Kong, 1945-1952* (Hong Kong: Oxford University Press, 1988), 209.

fect."[37] Consequently, the "Young Plan" was abandoned by Grantham because of his fear of China's opposition to political reforms.

Huntington argues that in the "third wave" era, external actors can interfere in various ways to promote transition: "Rome delegitimized authoritarian regimes in Catholic countries; Brussels provided incentives for democratization in southern and eastern Europe; Washington pushed democratization in Latin America and Asia; Moscow removed the principal obstacle to democratization in Eastern Europe."[38] The Hong Kong case, however, shows that psychological fear can also be effective in interfering in democratic transition. Actually, it was the overanxiety regarding opposition to democratization that caused the abandonment of political reforms to avoid antagonizing the external actor, the PRC. Hence, the PRC hindered and did not promote transition.

Grantham's fear of China's disapproval of political changes was largely exaggerated. In the early 1950s, the recovery of sovereignty was clearly subordinate to some more urgent national policy concerns, such as the reunification with Taiwan, which was ruled by the Kuomintang (KMT, Nationalist Party), as well as the security problems posed by the Korean War.[39] It can be argued that Grantham's decision to abandon rather than implement the Young Plan at this favorable moment was mainly because he lacked the political will to introduce constitutional reforms, as he was too worried about the "strong and hostile" neighbor, the communist PRC, and dared not to offend it.[40] Furthermore, he seemed indifferent to political reforms for fear of losing British influence. As the Exco complained, "The fear of exciting Chinese demands for the retrocession of Hong Kong should not be used as an excuse for the postponement of constitutional reform."[41] In short, the PRC might have accepted limited political reforms after World War II given the preoccupation with more pressing sovereignty and national security issues in the early 1950s. Grantham should therefore be largely held responsible for shelving the democratic reforms embodied in the Young Plan.[42]

Some former unofficial (non-civil servant) Exco and Legco members,

---

[37]Alexander Grantham, *Via Ports: From Hong Kong to Hong Kong* (Hong Kong: Hong Kong University Press, 1965), 112.

[38]Huntington, *The Third Wave*, 86-87.

[39]Lane, *Sovereignty and the Status Quo*, 79.

[40]Grantham, *Via Ports*, 105.

[41]The quotation is from Miners, "Plans for Constitutional Reform in Hong Kong," 479.

[42]For Grantham's role in postponing Hong Kong's democratic transition, see Tsang, *Democracy Shelved*, 186-92.

who were hard-liners outside the colonial government, supported Grantham's decision, as they were concerned about communist infiltration if elected elements were introduced in municipal councils.[43] Moreover, they were afraid of rapid democratic reforms, and favored limited changes in the Legco, such as a large unofficial majority and franchise confined to the British subjects in order to preserve and enhance their superior position in the legislature. They opposed any political changes which undermined their traditional superiority.[44] As a consequence, Grantham, as a hard-liner in the government, and some unofficial Exco and Legco members, as hard-liners outside the colonial regime, forged an informal alliance to hinder transition, resulting in little progress in Hong Kong's democratization between 1952 and 1962.[45]

Similarly, the reform of the Urban Council,[46] a municipal body responsible for such urban services as garbage collection and recreational facilities management, was also abandoned in 1967 for fear of Beijing's objection to constitutional changes. When plans were made to divide the work of the Urban Council among several new municipal and district councils, former hard-line governor David Trench made it clear that political reforms even at the local level would likely cause Chinese objections. He stated: "China has made it pretty clear that she would not be happy with a Hong Kong moving towards a representative system."[47] Thus, the worry of Chinese opposition to political reforms again led to the relinquishment of reform efforts in 1967, a method of interference not discussed by either Huntington or Przeworski.

In short, it is hard to resist the claim that the general anxiety over China's disapproval of democratization impeded Hong Kong's political development in the pre-1982 era. The hard-liners (former governors Grantham and Trench and some former unofficial Exco and Legco members) abandoned political reforms initiated by some soft-liners, such as Young, over concern for China's objections.

The External Actor and the Beginning of Democratization in 1982

The beginning of democratization in 1982, with the introduction of di-

---

[43]G. B. Endacott, *Government and People in Hong Kong, 1841-1962: A Constitutional History* (Westport, Conn.: Greenwood Press, 1964), 196-98.

[44]Miners, "Plans for Constitutional Reform in Hong Kong," 473-74.

[45]Endacott, *Government and People in Hong Kong*, 198-209.

[46]See *Report of the Working Party on Local Administration* (Hong Kong: Government Printer, 1967), 22.

[47]*Hong Kong and Its Position in the Southeast Asian Region* (Hawaii: East-West Center, University of Hawaii, 1971), 5.

rect elections at the district level, was largely due to the tolerance of the PRC for limited reforms. Huntington argues that passive tolerance by another powerful external actor, the Soviet Union, encouraged democratic transition in East European countries in the late 1980s.[48] In Hong Kong's case, the PRC, which was preoccupied with domestic political turmoil and economic collapse, passively accepted Hong Kong's limited reforms. In the early 1980s, the PRC had been busy with economic reconstruction after the Cultural Revolution, the power struggle following the death of Chairman Mao Zedong, and the reform programs of Deng Xiaoping shortly afterwards. As far as national policy priorities as discussed by Huntington were concerned, the sovereignty question of Hong Kong was subordinate to the urgent internal economic and political considerations at the moment; the PRC thus tolerated limited constitutional changes in Hong Kong.

The establishment of the district boards during this period represented a small step toward democratic transition. Tsang Yuk-sing, chairman of the pro-China DAB, argues that democratization was a British plan to introduce representative government before abandoning Hong Kong in 1997.[49] Leung Yiu-chung, a working-class activist, suggests that "the primary objective of political reforms is to gain public support to bargain with China for future British interests [in Hong Kong after 1997]."[50] Nonetheless, the district boards marked the beginning of democratic transition in Hong Kong since it allowed the Hong Kong people to elect a certain number of people directly to represent them in the district councils.[51] However, it was limited in power and representation. One scholar observed that they "are part of the consultative process and as yet play only a minor role in the executive and no direct role in the legislative process."[52] As a soft-liner, former governor Murray MacLehose[53] carefully limited the district boards' power and the available seats for elections so as not to antagonize China and introduced the boards at a favorable moment.

---

[48]Huntington, *The Third Wave*, 99.

[49]Personal interview, November 3, 1994.

[50]Personal interview, October 25, 1994.

[51]See *Green Paper: A Pattern of District Administration in Hong Kong* (Hong Kong: Government Printer, 1980), 1.

[52]Brian Hook, "The Government of Hong Kong: Change Within Tradition," *The China Quarterly*, no. 95 (September 1983): 507.

[53]MacLehose has been known as a "reforming and innovative administrator" by some observers of Hong Kong politics. See Peter Harris, *Hong Kong: A Study of Bureaucratic Politics* (Hong Kong: Heinemann, 1978), 5.

The emergence of democratic transition in the early 1980s had very little to do with the democratic aspirations of the middle class. While the middle class, in Huntington's view, is "the most active supporter of democratization,"[54] in Hong Kong's case, the middle class, the backbone of Hong Kong democrats, was moderate and relatively weak before 1982. To begin with, the middle-class liberals in the pre-1982 period demanded a responsive but not a responsible government to protect their growing interests. For example, the Hong Kong Observers, one of the active pressure groups in the 1970s, made it clear that it would "promote informed discussion of public issues and, through such a process, attempt to make the government of Hong Kong more responsive to the needs of the people there."[55] Moreover, the middle class in the 1970s hardly represented a significant group strong enough to press for constitutional changes. According to a report prepared by the Standing Committee on Pressure Groups, a secret government agency monitoring pressure group activities, the Hong Kong Observers had no "solid enough base to really be actually subversive," and its "membership [was] small, only 51 in June 1978."[56] Hong Kong's democratic transition in 1982 was thus actually the product of the external actor's passive tolerance of limited political reforms.

Limited Democratization, 1984-91

The common interests between the PRC and the hard-liners within and outside the government limited democratic transition between 1984 and 1991. Consequently, political reforms in this period were piecemeal and gradual, and fell short of the expectations of the still comparatively weak democrats.

The External Actor, the Soft-Liners, and the Hard-Liners

The relationship between external actors, the soft-liners, and the hard-liners is not the focus of Huntington and Przeworski, who largely concentrate on the alliances between domestic actors–the hard-liners, the soft-liners, the democrats, and the conservatives. In Hong Kong's case, the external actor (the PRC), working mainly through official criticism, coerced the soft-liners and

---

[54]Huntington, The Third Wave, 67.

[55]Hong Kong Observers, *Pressure Points: A Social Critique*, updated edition (Hong Kong: Summerson Eastern Publisher, 1983), ii.

[56]Duncan Campbell, "A Secret Plan for Dictatorship," *New Statesman* 100, no. 2595 (December 1990): 9.

hard-liners in the government to cooperate in hindering transition between 1984 and 1991.

When soft-liners such as former governor Edward Youde[57] and Richard Luce (former British minister of state responsible for Hong Kong affairs) decided to fulfill the claim of "autonomy" in a limited fashion, the PRC pressed them to slow the pace of political changes. The political reforms were limited in the sense that only indirect elections were allowed in 1985 and that direct elections would be considered in the 1987 constitutional review.[58] Despite this, Xu Jiatun, the then-director of the local branch of the New China News Agency (Xinhua), indicated that there was a "trend" toward making Hong Kong an independent political entity by giving the Hong Kong people democracy and elections.[59] After the first Legco indirect elections, Xu further warned that the development of representative government was too fast and had deviated from the spirit of the Sino-British Joint Declaration regarding Hong Kong's future. It was argued that the development of democratization had to be in line with the Basic Law, the post-1997 constitution which was to be introduced in 1990.[60] The PRC's objectives were thus to force the soft-liners in London and the Hong Kong government to limit the scope and pace of political reforms to meet Chinese sovereignty claims as manifested in the Basic Law.

Facing the external actor's criticism, the soft-liners agreed to make concessions. Youde stated clearly that Britain and China would consider each other's views and make the Joint Declaration the basis of cooperation in maintaining Hong Kong's stability and prosperity.[61] The statement implied that the British were ready to listen to the Chinese about Hong Kong affairs. It was even discovered that the Hong Kong government had sought China's views on future political development by submitting a copy of the policy paper on political reform to the Chinese before its publication.[62] At the same time, British officials discussed political reforms with their Chinese counterparts in the

---

[57]Edward Youde was a soft-liner who "tried to democratize Hong Kong's polity in a more overt manner." The quotation is from Lo Shiu-hing, "An Analysis of Sino-British Negotiations over Hong Kong's Political Reform," *Contemporary Southeast Asia* 16, no. 2 (September 1994): 205 n. 2.

[58]*White Paper: The Further Development of Representative Government in Hong Kong* (Hong Kong: Government Printer, 1984), 5-9; Appendix A and B, 16-17.

[59]*South China Morning Post*, September 10, 1984, 1.

[60]Ibid., November 22, 1985, 1.

[61]Ibid., November 1, 1985, 16.

[62]*Far Eastern Economic Review*, January 16, 1986, 37-38.

Sino-British Joint Liaison Group (JLG), a body that supervised the implementation of the Joint Declaration. Thus, the surrender of the soft-liners to the external actor prevented a faster pace of democratic transition before the handover, a fact not fully discussed by either Huntington or Przeworski, who have tended to focus on how the domestic actors make alliances to achieve democratic transition.

Soft-liners in London and Hong Kong agreed to limit democratization to secure a smooth transfer of sovereignty. Youde, as a soft-liner, then introduced limited political reforms–indirect elections in 1985–to further the decolonization process in the hope that they would be acceptable to China. However, the Chinese government distrusted the British, and suspected that they would maintain their influence after 1997 by placing pro-British people in the Special Administrative Region (SAR) government through direct elections. The question of sovereignty became one of China's top foreign policy considerations around the mid-1980s when, in Kevin Lane's words, "the Communists were not preoccupied with more pressing foreign policy matters; rather, national reunification was at the top of Beijing leadership's agenda of long-term goals."[63] The urgency of recovering Hong Kong's sovereignty motivated the PRC to object openly to even limited reforms.

Nevertheless, the submission to the external actor, who was now sensitive to sovereignty claims, decelerated the pace of political reforms as is further shown in the abandonment of direct elections in 1988. The PRC feared that a directly-elected legislature might significantly reduce its influence and control over Hong Kong after 1997. China therefore launched a series of campaigns to force Britain to slow down the pace of political reforms to meet the Basic Law. Lu Ping, former secretary-general of the Basic Law Drafting Committee (BLDC), argued that 1988 was not the right time to have direct elections, as the Hong Kong people were divided over the future political system; 1991 was deemed more appropriate.[64] Li Hou, former deputy director of the State Council's Hong Kong and Macau Affairs Office, maintained that 1988 direct elections to the Legco "[would] not be in accordance with the spirit of the Joint Declaration and [would] be disadvantageous to the smooth transfer of sovereignty in 1997."[65] The PRC made it clear that any changes should wait until the publication of the Basic Law in 1990.

---

[63]Lane, *Sovereignty and the Status Quo*, 105.

[64]*South China Morning Post*, February 14, 1987, 1.

[65]Ibid., June 19, 1987, 1.

In the face of harsh and open criticism by the PRC, the hard-liners in London accepted the Chinese view of "convergence" of political reforms with the draft Basic Law, i.e., to bring the former in line with the post-1997 constitution.[66] Sir Geoffrey Howe, former foreign secretary, stressed the importance of "institutional continuity" before and after 1997.[67] As a hard-liner in the Hong Kong government, former governor David Wilson also agreed with Chinese concerns of drastic changes in Hong Kong's political system before 1997, emphasizing the need for "prudent and gradual" rather than "revolutionary" changes and the preservation of Hong Kong's stability and prosperity.[68] Consequently, he bowed to China's severe opposition and abandoned the direct election plan until 1991.[69] The abandonment of 1988 direct elections can therefore definitely be seen as the submission of the hard-liners in the governing bloc (Timothy Renton, Geoffrey Howe, and David Wilson) to external political pressures from China.

The External Actor and the Hard-Liners

While Huntington and Przeworski concentrate on domestic actors, the Hong Kong case shows that the external actor, the Chinese government, formed alliances with conservatives and hard-liners outside the government to obstruct political transition. Furthermore, the hard-liners in the government and the conservatives cooperated in supporting China's Hong Kong policy.

The conservative businessmen, industrialists, and middle-class professionals (hard-liners outside the government) shared the view that a smooth transfer of sovereignty would be conducive to their investment and career prospects in the territory. Moreover, by supporting China's Hong Kong policy, they hoped that their investments in the mainland would be protected and would even have a chance to expand.[70] Many conservatives therefore supported China's policy of gradual political development in Hong Kong before 1997.

---

[66]Timothy Renton, former British Foreign Office minister in charge of Hong Kong affairs, explained his conception of "convergence," referring to a situation in which "two railway tracks meeting at a crossing, at a given point in time. . . . The railway train then goes over smoothly from one set of track to the other." See ibid., January 25, 1986, 10.

[67]Ibid., January 21, 1988, 23.

[68]*Address by the Governor, Sir David Wilson, KCMG, at the Opening of the 1987/88 Session of the Legislative Council on 7 October 1987* (Hong Kong: Government Printer, 1987), 75-77.

[69]*White Paper: The Development of Representative Government: The Way Forward* (Hong Kong: Government Printer, 1988), 9.

[70]*South China Morning Post*, June 17, 1987, Business, 3.

The PRC also hindered Hong Kong's democratization by co-opting conservative businessmen and industrialists (the hard-liners outside the regime) into the Basic Law drafting process in order to dictate the pace of democratic development before and after 1997. Many Hong Kong big businessmen, industrialists, bankers, and professionals became members of the BLDC and the Basic Law Consultative Committee (BLCC) which was to canvass public opinion on the drafting process. More importantly, the BLCC was dominated by BLDC members so as to influence the collective opinion.[71] As such, the close cooperation of the PRC and the conservative businessmen and industrialists postponed democratization by producing a gradual transition outlined in the second draft of the Basic Law.[72]

The sense of insecurity after the Tiananmen Incident in 1989 further motivated the PRC to hinder Hong Kong's democratic transition. The PRC was alarmed at seeing over one million Hong Kong people march on the streets in support of the pro-democracy movement in summer 1989 and the landslide victory of the democrats in the 1991 Legco elections.[73] The major concern was that the local population might establish a democratic system on its doorstep that could threaten authoritarian rule in the mainland, or even construct a counterrevolutionary base against the communist motherland.[74] The PRC thus allied with the hard-liners in London to devise a political blueprint for

---

[71]For instance, Tse-kai Ann, the BLDC vice-chairman, was the BLCC chairman. Five BLDC members were made BLCC vice-chairmen. For details of the Basic Law drafting process, see Emily Lau Wai-hing, "The Early History of the Drafting Process," in *The Basic Law and Hong Kong's Future*, ed. Peter Wesley-Smith and Albert H. Y. Chen (Hong Kong: Butterworth, 1988), 90-104.

[72]The first draft of the Basic Law was published in April 1988. The second draft which was proposed by newspaper publisher Louis Cha was endorsed in February 1989. It provided only 27 percent or fifteen of the fifty-six seats to be directly elected in 1997. See "Annex II: Method for the Formation of the Legislative Council of the Hong Kong Special Administrative Region," and "Appendices: Decision of the National People's Congress on the Method for the Formation of the First Government and the First Legislative Council of the Hong Kong Special Administrative Region," in *The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (Draft)* (Hong Kong: Basic Law Drafting Committee, 1989), 50-52, 54-55.

[73]Of the eighteen seats open for direct elections, democrats won sixteen seats, capturing about 68 percent of the vote. The UDHK won twelve seats, the MP won two, the ADPL won one, and one seat went to a liberal independent. See Ian Scott, "An Overview of the Hong Kong Legislative Council Elections of 1991," *The Asian Journal of Public Administration* 13, no. 2 (December 1991): table 1.1; and table 1.2.

[74]After the Tiananmen massacre, Jiang Zemin, general secretary of the Chinese Communist Party, used the "well water and river water" metaphor to warn the Hong Kong people that they should not try to use Hong Kong as a base to topple the communist regime. He stated: "We will not practice socialism in Hong Kong, Macau, and Taiwan"; "We practice our socialism and you may practice your capitalism"; and "The well water does not interfere with the river water." See *South China Morning Post*, July 12, 1989, 1.

post-1997 Hong Kong and ignored the democrats. The PRC and Britain agreed to have twenty directly-elected seats in the 1995 Legco[75] instead of the proposed thirty seats which was widely supported by the democrats and the Hong Kong people.[76] As a result of the cooperation between the external actor and the hard-liners in the government, democratization was further delayed. Hong Kong's democratic development could only slowly proceed according to the Basic Law.

Further Democratization, 1992-97

Democratization proceeded further between 1992 and 1997 when the government soft-liners cooperated with another group of soft-liners within the colonial apparatus, the democrats in the Legco, to achieve a faster pace of democratization. While the PRC as the external actor forged an alliance with the conservatives to impede political reforms, the fragmentation of the conservative camp weakened the alliance.

The External Actor and the Soft-Liners

The Chinese government condemned governor Chris Patten (a soft-liner in the government), charging that his constitutional reform package[77] violated the Joint Declaration, the Basic Law, and the diplomatic exchanges between the two sovereign countries,[78] as well as threatening to abolish the representative systems[79] and applying economic sanctions.[80] The objectives of the PRC were to alienate Patten from the influential business community.

---

[75]This Basic Law final model added five seats to the Legco in 1995 compared with the second draft. This final draft was formally promulgated in April 1990. See *The Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China* (Hong Kong: Consultative Committee for the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, 1990).

[76]*Comments on the Basic Law (Draft)* (Hong Kong: Office of Members of the Executive and Legislative Councils, 1989), 23.

[77]For details of Patten's reform package, see Jermain T. M. Lam, "Chris Patten's Constitutional Reform Package: Implications for Hong Kong's Political Transition," *Issues & Studies* 29, no. 7 (July 1993): 56-60.

[78]See *South China Morning Post*, October 8, 1992, 1; October 20, 1992, 1. For full coverage of the diplomatic documents, see ibid., October 29, 1992, 3.

[79]Ibid., October 20, 1992, 1.

[80]The PRC threatened not to recognize the contracts, leases, and agreements signed and ratified by the Hong Kong government without China's approval after June 30, 1997. See ibid., December 1, 1992, 1.

Despite these strong external pressures, Patten secured support from soft-liners within the British government, including Major and Hurd, and soft-liners in the Legco in having the reform package endorsed.[81] Major and Hurd supported Patten by stating that his reform proposal did not violate the Joint Declaration, the Basic Law, or diplomatic exchanges.[82] They maintained that "there was no change in our policy in Hong Kong. We still hope to work in cooperation with China for a smooth transition in accordance with the Joint Declaration."[83] The support from the soft-liners in London largely aided resistance to pressures from China.[84]

Specifically, the external actor and the soft-liners diverged on the questions of sovereignty and security. As a soft-liner, Patten made it clear that his proposed reform package was to develop "representative institutions to the maximum extent within the terms of the Joint Declaration and the Basic Law."[85] Simply put, soft-liners wanted to establish a democratic political system in Hong Kong well before 1997 for a "glorious retreat." In particular, after the Tiananmen massacre, the British government believed that the return to China of six million Hong Kong people who had expressed strong hopes for democratization during China's pro-democracy movement would be highly dishonorable. It was thus compelled to do something to establish a democratic system before returning it to its communist master.[86] However, the PRC regarded the establishment of a representative government as interfering with its effective exercise of sovereignty. A directly-elected legislature, as proposed in the reform plan, would significantly reduce Chinese influence and control over Hong Kong after 1997; Patten's reform package thus was viewed as an attempt to turn Hong Kong into an independent or semi-independent

---

[81]Some soft-line government officials like Michael Sze Cho-cheung, former secretary for constitutional affairs, strongly supported Patten's reform package. However, some officials opposed the reform package and opted for early retirement such as John Chan, secretary for education and manpower.

[82]*South China Morning Post*, October 12, 1992, 3.

[83]Ibid., November 18, 1992, 1.

[84]As hard-liners, Percy Cradock, Mrs. Thatcher's foreign affairs adviser, and Governor Wilson left their respective positions in 1992, thus marking the end of the "appeasement" policy outlined by Sinologists in the formation of Britain's China-Hong Kong policy. See Philip Bowring, "Patten Is Haunted by Yesterday's Men," *South China Morning Post*, November 9, 1992, 23; and Martin Lee Chu-ming, "Break with Appeasement," ibid., February 20, 1994, 17.

[85]*Our Next Five Years: The Agenda for Hong Kong* (Address by the Governor, the Right Honorable Christopher Patten at the Opening of the 1992/93 Session of the Legislative Council, 7 October 1992) (Hong Kong: Government Printer, 1992), 36.

[86]Dissident Lau Shan-ching argues that the British wanted to continue its influence in the territory after the handover by placing pro-British people in the SAR government through direct

state.[87] Moreover, the PRC felt that its security was being threatened in the wake of the Tiananmen Incident by Hong Kong's democratic development. The landslide victory of the democrats in the 1991 Legco elections confirmed Chinese fears. In the final analysis, the sovereignty issue and the sense of insecurity caused the Chinese government to interfere in the transition and put considerable pressures on soft-liners in Britain and Hong Kong to abandon the reform package.

Facing the PRC's strong criticism and possible retaliation, London and Hong Kong soft-liners were supported by a group of soft-line democrats in the colonial legislature to resist external pressures. Przeworski argues that soft-liners will not choose to ally with democrats, but "always to ally with the hard-liners."[88] In Hong Kong's case, however, soft-liner Patten allied with the democrats. During the legislation of the reform package, liberal legislators of the United Democrats of Hong Kong (UDHK), the Meeting Point (MP), ADPL, and others such as Emily Lau Wai-hing fully supported the passage of Patten's reform bills in February and June 1994. Particularly important was their support of Jimmy McGregor's amendment endorsing the reform bills,[89] and the defeat of the LP's amendment keeping the reform package intact.[90]

The democrats largely shared the government soft-liners' views regarding democratization, but disagreed with the external actor on sovereignty and security issues. Leading democrat Martin Lee Chu-ming supported the reform package because it "grasped twin themes on which the democrats campaigned so successfully . . .–democratization of the government and improvement in people's livelihood."[91] Specifically, the democrats welcomed lowering the voting age from twenty-one to eighteen, broadening the representation of functional constituency by individual voting, and having the district boards and urban/regional councils all directly elected.[92] Furthermore, democrats be-

---

[87]*South China Morning Post*, November 7, 1992, 1.

[88]Przeworski, *Democracy and the Market*, 70.

[89]After McGregor's amendment, the Legco announced its stand endorsing Patten's constitutional reform package in the following words: "This Council, being in general support of the package of proposals on electoral reforms relating to the 1995 elections to the Legislative Council put forward by the Governor, urges the British and Hong Kong governments to adopt the principle of openness, fairness, and acceptability to the people of Hong Kong when they engage in further discussion with the Chinese Government on the political development of Hong Kong." See *South China Morning Post*, November 12, 1992, 1.

[90]The LP's amendment attempted to significantly reduce functional constituency votes and keep the election committee divided into four groups instead of having it consist entirely of district board members. See *South China Morning Post*, June 30, 1994, 1.

[91]Martin Lee Chu-ming and Tsang Yuk-sing, "The Flaws in the Patten Blueprint," ibid., October 11, 1992, 15.

[92]Personal interview with Szeto Wah, November 7, 1994.

lieved that democratization would not block the exercise of sovereignty and threaten communist rule in the mainland. Democratic reforms such as Patten's reform proposal were mainly intended to fulfill the Chinese claim of "a high degree of autonomy" for post-1997 Hong Kong; as a result, the cooperation between soft-liners inside and outside the government, with general public support,[93] helped political reforms against the external actor's objection–a phenomenon far more complicated than Przeworski's argument that the soft-liners choose "always to ally with the hard-liners."

It is important to note that the cooperation between the soft-liners inside and outside the regime was not always harmonious. Huntington argues that "reformers and moderates [have] a common interest in creating democracy but [are] often divided over how the costs of creating it should be borne and how power within it should be apportioned."[94] In Hong Kong's case, Patte ("the reformer") and the democrats ("the moderates"), both soft-liners, disagreed on the pace and content of political reforms.[95] Nevertheless, the disagreement did not significantly spoil their cooperation in pushing for faster democratization before 1997.

The External Actor and the Hard-Liners

After Patten's announcement of his political reform plan in October 1992, the PRC cooperated with hard-line conservatives outside the government against democratization. The conservative businessmen, industrialists, and middle-class professionals largely shared China's views on sovereignty and its concerns about national security, believing that a smooth transfer of government would be favorable for their investments and careers in the territory. They regarded the pace of democratization in Patten's reform package as too fast, with the political reforms not conducive to a peaceful transition. The 159-member BPF thus declared its opposition, arguing that "a smooth transition in 1997 and convergence with the Basic Law is in the best interests of the territory. Our future lies in a sound working relationship with China."[96]

---

[93]According to several opinion polls conducted immediately after Patten's announcement of his reform package, a stable 40 to 60 percent of the respondents supported Patten's democracy initiatives in spite of China's opposition. See *South China Morning Post*, October 10, 1992, 1, 5; October 11, 1992, 10; and November 22, 1992, 1.

[94]Huntington, *The Third Wave*, 122.

[95]For example, Martin Lee criticized Patten's reform package for not allowing democratically-elected legislators to sit on the Exco, and stated that the pace of democratization should not be constrained by the Basic Law. See note 91 above.

[96]*South China Morning Post*, November 22, 1992, 13.

In short, the conservatives favored a gradual pace of democratic transition as stated in the Basic Law.

The PRC strengthened its alliance with the conservatives by co-opting big businessmen, industrialists, rich bankers, and estate developers through the appointment of "Hong Kong affairs advisers" and "district affairs advisers."[97] The PRC further threatened to dishonor after 1997 "contracts, leases, and agreements signed and ratified by the Hong Kong-British government which are not approved by the Chinese side."[98] China's objectives were to alienate Patten from the conservative business community, whose investments in the territory would be at stake if Patten insisted on implementing the reform package. Consequently, the alliance between the external actor before the handover (the Chinese government) and the conservative businessmen (the hard-liners outside the Hong Kong government) was strengthened. Some conservative groups such as the DAB, the BPF, and the LP joined the PRC's campaign to criticize Patten and his reform proposal. DAB Chairman Tsang Yuk-sing, for instance, accused Patten for "inventing a few cunning devices in his constitutional package which will enable him to transcend the pace of political reform set by the Basic Law without violating its letter."[99] The "unholy" alliance between the PRC and the conservatives thus placed considerable pressures on Patten and the democratic legislators to abandon the reform package.

However, the fragmentation of the conservative camp also weakened the alliance with the external actor to some extent. Some liberal businessmen believed that democratization would not threaten Chinese sovereignty and national security; for example, the General Chamber of Commerce, a member of the BPF, did not share its party's declaration of opposition and consequently left it.[100] Roger Thomas, the chairman of the Retail Management Association, admitted the existence of a deep division within the business community about the pace of democratization and that the BPF could not represent the views of the entire business sector.[101] The defections of some businessmen further indicated that the PRC and some members of the business sector disagreed over democratization, and that economic inducement was not

[97]Ibid., March 8, 1994, 5.
[98]Ibid., December 1, 1992, 1.
[99]Ibid., October 11, 1992, 15.
[100]Ibid., November 19, 1992, 3.
[101]Ibid., November 10, 1992, 1.

sufficient to secure business support. Some even decried the PRC's threats to dishonor the contracts made under British administration as spoiling business confidence, as well as being "not helpful" and "disappointing." [102] Overall, the conservative camp suffered to some extent from the internal spilt after the reform package was announced by Patten.

Theoretical Implications of the Hong Kong Case

The Hong Kong case provides the following three important lessons about the role of external actors in democratization. First, as Huntington argues, external actors can promote as well as hinder democratization. In Hong Kong's case, the transfer of sovereignty on July 1, 1997 to the PRC provided an opportunity for democratization, as the PRC had promised "a high degree of autonomy" for post-1997 Hong Kong. Moreover, China's preoccupation with domestic problems in the late 1970s provided another opportunity for the beginning of democratization in 1982, specifically through the introduction of district board elections. However, in contrast to Huntington's observation that "external actors significantly [help] third wave democratization," China attempted to hinder democratic development between 1984 and 1997. On the one hand, the Hong Kong case agrees with Huntington's argument that external actors can help and also impede democratic transition. But on the other hand, China as the external actor largely hindered local political development in the "third wave" era.

Second, priorities of national policy objectives such as national security and promoting democratization provide the strongest impetus for external actors to interfere with democratic transition, in Huntington's view. In Hong Kong's case, the sovereignty claims and a sense of insecurity largely motivated the PRC to block instead of promoting political changes before the handover in 1997. Thus, the Hong Kong case supports Huntington's argument that external actors' major national policy aspects encourage their political interference.

Third, and most important, the external actor before 1997, namely China, appeared to play a more significant role in democratic transition than Huntington suggests. The determinant of democratization, according to Huntington, is ultimately the interaction between domestic actors. In Hong Kong's case,

[102] Ibid., December 1, 1992, 1.

it was the interaction between the PRC and domestic actors that determined democratization and caused long-term uncertainties. In actuality, the PRC simultaneously helped and hindered transition in Hong Kong before July 1, 1997. Threatened by democratic reforms, the PRC allied with hard-liners both within and outside the government to limit political change. However, this external interference created further demands for a faster pace of democratization.

Similar to Huntington's assertions, Hong Kong's middle class was an active supporter of democratic transition. According to Huntington, "Third wave movements for democratization were not led by landlords, peasants, or (apart from Poland) industrial workers. In virtually every country the most active supporters of democratization came from the urban middle class."[103] In Hong Kong, most of the middle class favored democratic development and opposed Chinese interference in domestic affairs. However, the middle class was not active before 1982, and some of them supported China's Hong Kong policy.

In contrast to Huntington's argument, Hong Kong's conservative capitalists allied with hard-liners to hinder political transition. To Huntington, "standpatters and radicals were totally opposed on the issue of who should rule."[104] In Hong Kong, conservatives (or "radicals") wanted to protect their investment by allying with hard-liners (or "standpatters") in the government and the external actor. Yet, some liberal-minded businessmen and entrepreneurs (such as businessman Vincent Lo Hong-shui in 1989 and some business groups in 1992) shifted to the democratic camp after the Tiananmen massacre and during Patten's constitutional reform controversy. The Hong Kong case thus demonstrates that class factions can maximize the opportunities of democratization, a phenomenon that has largely been neglected by both Huntington and Przeworski.

Furthermore, Przeworski argues that soft-liners ally with democrats to promote democratization, and suggests that "extrication can result only from understandings between reformers and moderates."[105] In Hong Kong, as a soft-liner (or "reformer"), Patten allied with democrats (or "moderates") such as Martin Lee and Szeto Wah to help accelerate the democratization process by introducing further political reforms. It should be noted, however, that

---

[103]Huntington, *The Third Wave*, 67.

[104]Ibid., 122.

[105]Przeworski, *Democracy and the Market*, 68.

their alliance was not completely harmonious, as they differed over the pace and content of political reforms.

Finally, both Huntington and Przeworski have largely ignored the role of the working class in democratization. While Huntington focuses on the "urban middle class," Przeworski concentrates on the "reformers" who "tend to be recruited from among politicians of the regime and from some groups outside the state apparatus: sectors of the bourgeoisie under capitalism, and some economic managers under socialism."[106] In Hong Kong, while pro-Taiwan and independent trade unions and individuals were supportive of a more democratized political system before 1997, pro-PRC associations like the FTU were conservative hard-liners opposing rapid democratic progress. In short, it is rather difficult for external actors to accurately evaluate the true motives and relative strength of various domestic political actors in the struggle over democratization. In Hong Kong's case, the PRC stimulated, helped, and constrained political development in the pre-1997 period, but the political loyalty of different factions of middle class people, capitalists, and workers underwent changes which China could not fully comprehend. As Hong Kong has been politically absorbed into China, the latter played a more important role in the democratic transition than Huntington and Przeworski suggest. The Hong Kong case thus represents a unique example in the transition to democracy under external influence.

Yet limitations to Huntington and Przeworski's approaches to democratic transition are apparent in analyzing Hong Kong's transition; they can be stated in the following three aspects. First, external aspects of democratization should be the focus of transition theories. Although Huntington has discussed the role of external actors in democratization, external actors have not been the central focus of either Huntington or Przeworski's work. To Huntington, "while external influences often were significant causes of third wave democratization, the processes themselves were overwhelmingly indigenous."[107] Similarly, Przeworski argues that "the campaign for democracy" is "a struggle of the society against the state."[108] The Hong Kong case shows that the external actor stimulated as well as constrained the democratic transition before the handover. Therefore, external aspects of democratization should occupy a central position in transition theories.[109]

---

[106]Ibid., 67-68.

[107]Huntington, *The Third Wave*, 112.

[108]See note 22 above.

[109]It should be stressed that the PRC ceased to be the external actor in relation to Hong Kong

Second, democratization theories should more carefully discuss the intentions and relative strengths of various domestic actors. While Huntington and Przeworski consider the middle classes and conservatives to be largely homogenous and consistent in their attitudes toward democratization, the Hong Kong case shows that they were clearly heterogeneous and changeable toward democratization over time. The motives and relative strengths of domestic actors, the conservative segments of the middle class, the liberal fraction of the conservative camp, and the politically divided working class should be studied in detail.

Finally, the study of democratic transition should examine the interaction between external actors and various factions within different classes. Huntington separates external and domestic actors and argues that "the processes [are] overwhelmingly indigenous." Like Huntington, Przeworski focuses on the "struggle of the society against the state" in democratization. The Hong Kong case demonstrates that the external actor before the sovereignty change, the PRC, interfered with the transition and interacted with different segments of the social classes. In addition, the Hong Kong case shows that psychological fear can be as effective as the conventional intervention methods suggested by Huntington. In the years after World War II, the PRC did not clarify its opposition to democratization, and this worried government soft-liners who wanted to introduce political reforms. Thus, the different ways of external interference will, to a certain extent, affect the interaction between external actors and other domestic actors.

Conclusions: Prospects for Hong Kong's Democratization

Given the complicated nature of transition politics, i.e., the interaction between five relevant political actors–external actors, government soft-liners and hard-liners, and democrats and conservatives in the political opposition–Hong Kong's future can be argued to be relatively optimistic. First, external actors to Hong Kong after July 1, 1997 such as Britain and the United States may persuade and threaten (if necessary) the PRC to take a more moderate ap-

after July 1, 1997 and is now the sovereign master of the territory. Arguably, foreign countries such as Britain, the United States, and perhaps Taiwan rather than the PRC are currently the external actors.

proach to further political reforms and human rights in the territory. As argued earlier in this article, the exercise of interference largely depends on foreign policy priorities of the external actors. Chris Patten has stated firmly that Britain has the moral responsibility to look after Hong Kong for fifty years beyond 1997, and the Prince of Wales also stressed continued British links with post-handover Hong Kong in the handover ceremony.[110] The JLG, as agreed by both the Chinese and British governments, will continue to monitor the observance of the Joint Declaration until 2000. As one of the members of the European Union, Britain will likely move other EU members to ensure democratic elections to be held in the SAR within one year, or as soon as possible after 1997. The signals are clear that Britain shares some responsibility for Hong Kong's future under the PRC. However, in contrast to China before the handover, pressures and criticisms coming from these external actors may not be effective since Hong Kong has already become part of China. Chinese concerns about external interference in Hong Kong affairs will largely resist these foreign pressures. It may be argued that charges of denying democracy and human rights by another external actor, the United States, may end in a different result. There are increasing signs that the United States may replace Britain in monitoring Hong Kong's future democratic progress after the sovereignty transfer. U.S. President Bill Clinton gave a clear and strong warning to China to maintain Hong Kong free, open, and democratic when he stated:

> We'll keep a close watch on the transition process and the preservation of freedoms that the people of Hong Kong have relied on to build a prosperous, dynamic society. The transition process did not begin and does not end on July 1; it will unfold over the months and years ahead. One thing we must not do is take any measures that would weaken Hong Kong just when it most needs to be strong and free.[111]

However, economic sanctions to punish China for not upholding the Joint Declaration may do harm more than good, since these punishments may hurt China as well as Hong Kong. Moreover, they will not be very effective since the Chinese leaders will, as usual, claim that Hong Kong affairs are China's internal matters. Nevertheless, China will likely try to recognize American interests and satisfy U.S. demands for fear of sanctions.[112] The threat of applying punishment will probably deter the communists to some ex-

---

[110]*South China Morning Post*, July 1, 1997, 10.

[111]Ibid., 11.

[112]Some China watchers see some encouraging signs in this aspect, including an agreement on future port visits by U.S. warships and the maintenance of the U.S. Consulate-General in the SAR. See Simon Beck, "Clinton Lands Role as New Protector," ibid., July 1, 1997, 12.

tent from suppressing democrats, freedom, and human rights in the territory after the handover. On the whole, Hong Kong will be a point of contention in Sino-British and Sino-U.S. relations beyond 1997, as its democratic development and human rights situation become more politicized and externalized.[113]

Second, SAR Chief Executive Tung Chee-hwa will likely face a crisis of legitimacy that may force China to allow limited reforms to maintain effective rule. This legitimacy crisis largely originates from the general disapproval about the formation of the SAR government. For one thing, most Hong Kong people did not have an opportunity to choose Tung, who was elected by a Selection Committee formed by 400 Beijing-appointed members in December 1996. Moreover, the 1995 Legco, whose members were directly elected in one way or another, was replaced by a Provisional Legislature which was formed by the PRC even several months before July 1, 1997. The lack of popular approval of the SAR government will probably eventually convince the PRC to allow limited reforms or at least tolerate some forms of political expression such as street demonstrations and rallies in order to regain the lost legitimacy and credibility of the new administration and discredit the democrats and Patten's supporters. However, Tung is a hard-liner who openly supported a gradual pace of democratization as outlined in the Basic Law in his mini-policy speech delivered on the establishment of the SAR.[114] Furthermore, he has adopted a hard-line approach toward democrats and seems determined to establish a strong executive-led government. For instance, he has reintroduced the appointment system to the three-tier councils to balance elected members, tightened laws on demonstrations, and proposed to change the 1998 Legco electoral system so as to win support from business circles and minimize the power of the pro-democracy forces. It is therefore very likely that democratization process as pushed by Patten between 1992 and 1997 is going to be rolled back or slowed down under Tung's administration. To do this, Tung may forge a hard-line alliance with the PRC, the domestic actor after 1997, to postpone Hong Kong's democratic progress.

---

[113]In addition to Britain and the United States, some Asian countries such as Japan, South Korea, and the Philippines are very interested in keeping Hong Kong's free and open political system and capitalist economy under the PRC. See Japan's Foreign Ministry spokesman's remarks and greeting declarations made by South Korean President Kim Young Sam, and Philippine President Fidel Ramos on the reversion of Hong Kong to China on July 1, 1997. *South China Morning Post*, June 30, 1997, 4; July 1, 1997, 2.

[114]*A Future of Excellence and Prosperity for All* (Speech by the Chief Executive the Honorable Tung Chee-hwa at the Ceremony to Celebrate the Establishment of the Hong Kong Special Administrative Region of the People's Republic of China, July 1, 1997) (Hong Kong: Printing Department, 1997), 19.

Viewed from this perspective, it is unlikely that Hong Kong will enjoy the "high degree of autonomy" that was expected to be given to the Hong Kong people after July 1, 1997.

Third, the growing strength of democrats will probably resist Chinese interference in domestic affairs. Huntington argues that democratization's future will be bleak when "conservative middle- and upper-class groups [determine] to exclude populist and leftist movements and lower-class groups from political power."[115] However, in Hong Kong, democratic causes have already gained widespread support since 1989, as shown in various election results.[116] After 1997, China cannot completely ignore the democrats who have mandates and are widely supported by the people of Hong Kong; thus, general approval of democratization will probably continue to strengthen democratic forces. However, with the departure of democratic Britain and Patten, Hong Kong democrats, who are soft-liners outside the government, will likely be politically isolated simply because the SAR government and the PRC are both hard-liners opposing rapid democratic development and do not support pro-democracy forces. Under the new proportional representation system for the twenty geographic seats in the 1998 Legco elections, it is widely believed that democrats will lose some of their seats to the business-oriented candidates. The democrats are therefore facing a much more difficult time and are under tremendous political pressure in their fight under the SAR. To a significant degree, the pro-Hong Kong democrats will be reduced to opposition forces or even pressure groups, as in the 1970s and 1980s.

Finally, the probable fragmentation of conservatives will likely weaken their alliance with the PRC. As mentioned above, conservative businessmen, industrialists, and middle-class professionals have competed among themselves to win favor from their new master, and have clashed over respective interests. As one scholar observed:

> In the event that PRC officials fail to serve as a neutral arbiter in any disputes among the pro-China elite, it is doubtful whether Beijing could exercise political control over the SAR, even if the mainland Chinese leaders might have the political will to do so. But in the event that the strife among the pro-China Hong Kong elite is not so serious, and that PRC officials could handle any internal volatilities without much difficulty, the alliance between the official Chinese elite

---

[115]Huntington, *The Third Wave*, 291.

[116]For instance, in the 1991 and 1995 Legco elections, democrats won sixteen and seventeen seats, or about 68 and 72 percent of the total vote, respectively. The pro-democracy flagship DP was the largest political party in the lawmaking body under British administration. See note 73 above and *South China Morning Post*, September 18, 1995, 1.

> and the pro-China elite will constitute the most powerful ruling force dominating Hong Kong's polity.[117]

From this view, cooperation between conservative pro-China political groups such as the HKPA, the LP, and the DAB may become increasingly difficult. On the whole, the interaction between all these actors–the current external actors such as Britain and the United States, the current domestic actors including a hard-line SAR chief executive, the democrats, and the conservatives–will probably weaken, moderate, and soften Chinese interference and repression of democratic reforms after the handover.

[117]Sonny Lo Shiu-hing and Donald Hugh McMillen, "A Profile of the 'Pro-China Hong Kong Elite': Images and Perceptions," *Issues & Studies* 31, no. 6 (June 1995): 124.