

THE BROOKINGS INSTITUTION
CENTER FOR NORTHEAST ASIAN POLICY STUDIES

**The 2004 Legislative Council Elections and
Implications for U.S. Policy toward Hong Kong**

Wednesday, September 15, 2004

Introduction:

RICHARD BUSH

Director, Center for Northeast Asian Policy Studies
The Brookings Institution

Presenter:

SONNY LO SHIU-HING

Associate Professor of Political Science
University of Waterloo

Discussant:

ELLEN BORK

Deputy Director
Project for the New American Century

[TRANSCRIPT PREPARED FROM A TAPE RECORDING.]

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CENTER FOR NORTHEAST ASIAN POLICY STUDIES
1775 MASSACHUSETTS AVENUE, NW
WASHINGTON, D.C. 20036
202-797-6307

P R O C E E D I N G S

MR. BUSH: [In progress] I've long thought that politically Hong Kong plays a very important role in the Chinese political system because it can be, I think, a test bed, or a place to experiment on different political forums on how to run large Chinese cities in an open, competitive, and accountable way. So how Hong Kong's political development proceeds is very important for some larger and very significant issues for the Chinese political system as a whole, and therefore the debate over democratization in Hong Kong is one that has significance that reaches much beyond the rights and political participation of the people there.

The election that occurred last Sunday is a kind of punctuation mark in that larger debate over democratization, and we're very pleased to have two very qualified people to talk to us today.

The first is Professor Sonny Lo Shiu-hing, who has just joined the faculty of the University of Waterloo in Canada. For a number of years he was a professor at Hong Kong University and other Hong Kong institutions before that. To my mind he is probably the smartest person on the Hong Kong political system. If you ever want to know everything there is to know about it, I suggest *Governing Hong Kong*, which is the textbook he wrote about it, and we're very pleased to have him as our primary speaker.

Serving as a discussant is my good friend, Ellen Bork, who is now the Deputy Director for the Project for the New American Century, and before that she had a number of interesting jobs including being on the professional staff of the Senate Foreign Relations Committee, and serving as an assistant to the Honorable Martin Lee.

Without further ado, thank you again for coming, and Sonny, the floor is yours.

[Applause.]

DR. LO: It is my honor to be invited to the Brookings Institution to give a talk on the Hong Kong elections. The topic today is the Legislative Council Elections held on September 12th.

I have conducted research on Hong Kong tracing back to 20 years ago when I was a student in Canada. Now, actually, when we talk about Hong Kong, it is an international concern. It is really amazing.

In this election what is interesting is that there has been an unprecedented level of citizen participation. If you take a look at the voter turnout, 3.2 million people registered in this election. Of that number, 1.7 million cast their ballots. So voter turnout was 55.63 percent, definitely a watershed in Hong Kong's political history and development.



So in the past, when I studied Hong Kong politics, a lot of scholars observed that Hong Kong people were apolitical. Now such remarks no longer hold true. In terms of the voter turnout, the elections can definitely be regarded as a success. In terms of citizen participation, this is really a great success.

I want to be a little bit provocative here by focusing on a number of myths advanced by the mass media and some commentators on Hong Kong, and I want to dispel some of these myths about the election results. If you take a look at the foreign newspaper reports on this election, many portray this election as a kind of failure of, or poor performance by the democrats, or, if you like, the pan-democratic camp.

Now, this term, "pan-democratic camp" has been used by Hong Kong's media recently to refer to a kind of loose alliance of pro-democracy parties, namely the Democratic Party, which was the largest political party in Hong Kong before this election; Frontier, a more radical party; and the Association for Democracy and People's Livelihood, a kind of district based political party located in the Sham Shui Po area. They emphasize the livelihood of the people at a lower, grassroots level. And most importantly, the alliance included the Article 45 Concern Group. This group emerged because of the debate over Article 23 of the Basic Law, when the Hong Kong Government tried to enact legislation in accordance with the Basic Law, in accordance with the requirements of the People's Republic of China.

Actually, if you take a look at the Web reports, a lot of them said that the democrats performed unsatisfactorily. Actually this is not the case. This is not really the case. Why? I want to show you some pictures. Of course it is true that the Democratic Party only got 9 seats in this election, compared to 12 seats in total in the last 2000 year election. So apparently, if we just look at the Democratic Party alone, the results seem to be unsatisfactory, right? But if you take a look at the real situation, actually there has been a kind of people-realignment within the pan-democratic camp. That is to say, the Article 45 Concern Group, the group which grew out of the debate over Article 23 of the Basic Law, was developed. Now, two new members were elected, Tong Ka Wah, a barrister, and also Alan Leong, another barrister, whereas Audrey Eu and Margaret Ng were the incumbents. So, in a sense, you can see that there is a kind of shift of power distribution from the traditional Democratic Party to some of the new democrats. These new democrats arose because of the Article 23 debate.

Now, the pan-democratic camp has new blood--this is very important--new blood elected to the Legislative Council, like the former radio host from commercial radio. He faced intimidation threats. He claimed that he received phone calls from mysterious persons, from the Mainland, or even from Hong Kong, and eventually he decided to quit the radio program. Now he has been elected.

Another radical protester, the so-called "Long Hair" gentleman [Leung Kwok-hung], often protested on the streets of Hong Kong, and he was elected; very interesting, right? So here,

in a sense, you can see that there is more new blood in the whole democracy movement in Hong Kong, and this new blood seems to be ignored by the foreign media.

Now, the fact is there was a political realignment in the pan-democratic camp, as I mentioned to you earlier. The Democratic Party is no longer the dominant power in the democracy movement in Hong Kong. There has been a kind of power distribution so that power is more evenly distributed among the democrats. So the so-called decline of the Democratic Party has hidden the fact that the other new democrats have been elected. This is very important. So in a sense, when we talk about Martin Lee, Emily Lau, you know, we see that they are getting older and older. So in a sense the Hong Kong democracy movement has found new blood, younger people, fresh blood and they attract a lot of voters, right? Now, the new generation of democrats in Hong Kong signifies another watershed in the development of Hong Kong's democratization.

Now, the second point is that the democrats failed to perform as well as they expected; if you take a look at some of the Chinese newspapers' reports, they often make this claim. However, if you are an insider in the pan-democratic camp, you know that this is not really true. I was invited by the pan-democratic camp to be an observer in some of their meetings. Now, if you take a look at their internal estimates, originally they estimated that they would be able to grasp, at most, 27 seats in the 60-member Legislative Council. So, as a result, this time they get 25 seats; actually not bad, right? Just one or two seats away from their target, right? You know, 18 of them are directly elected, and most importantly, elected in the functional constituencies. Functional constituencies refer to those occupational groups like businesses, educational groups, legal sector groups, et cetera.

Now, traditionally, functional constituencies have been controlled by the business sector, but if you take a look at this election, the democratic camp has made a lot of inroads, and some of the new front actually are elected in these functional constituencies; quite unexpected. So, in a sense, there has been a kind of breakthrough in the functional constituency election. But usually most people just focus on direct elections and they believe that direct elections are the most important area of political struggle.

Now, many new democrats have been elected in functional constituencies. For example, the medical doctor, Mr. Kwok, Kwok Ka Ki, who is very close to the Democratic Party, in a sense, if you like, a kind of hidden Democratic Party member, right?

Tam Heung Man, a lady, is also very close to the Democratic Party. So if you take a look at the real situation in the functional constituency elections, the Democratic Party still retains its existing strength. Cheung Chiu Hung, a lecturer from City University, was also elected in the social welfare constituency.

So overall the pan-democratic front, or camp, has 25 members, which is close to the earlier prediction, so not bad actually. But, of course, some people seem to be excited by the fact that a million protesters have come out for each of the last two July 1st protests and they believed that this time the democrats must grasp at least 30 of the 60 seats. This is not really true.

Now, indeed, the pan-democratic camp could have done much better, that is true. We have to admit that. For example, Martin Lee, during the last week of the election, put out a kind of "rescue Martin Lee" campaign or a "save Martin Lee" campaign. This kind of campaign style imitated the Taiwan-style election. So they called on their supporters to vote for him because he was in danger, and surprisingly, he was elected very comfortably, but at the expense of another pan-democratic camp member, Cyd Ho, a Frontier member. She lost to the candidate from patriotic DAB, the Democratic Alliance for the Betterment of Hong Kong, Miss Choi So Yuk on Hong Kong Island by a margin of 815 votes.

Now, when we talk about the DAB, the patriotic front is very skilled in mobilization. If you go to Hong Kong and observe their election strategy very carefully, they utilize the [inaudible] associations, clan associations, housing organizations. They penetrate deep into the grass roots level and they have a kind of very sophisticated campaign strategy. For example, if you are a supporter of a left wing trade union, you support a particular candidate. If you are a supporter of the DAB, you support another candidate. So the ways in which they mobilize voters, the ways in which they distribute votes, are very sophisticated. So here, of course, the democrats could have done badly.

Now, another thing is that you have some commentaries or newspapers that said, "This time the pro-government camp got around 33 supporters, so the Hong Kong Government will not have major problems in getting bills and policies passed by the legislature." Now, wait a minute. Yes, in terms of absolute number of supporters for a government, of course they are in the majority position. But, if you want to make a more careful analysis of the dynamics of the Legislative Council in Hong Kong, some supporters are not really loyal supporters, if you like. They are not unconditional loyalists.

For example, Mr. David Li Kwok Po, from the Finance Constituency, seldom talks about politics, but when he talks about politics he tends to be very critical. He has a track record of being very critical of the government's economic policy. So in a sense, sometimes the government has to try very hard to lobby support from all these so-called solid supporters. They are not so solid actually. And Chim Pui Chung, he was elected to the LEGCO several years ago, and this time he ran in the election and won.

Now, as I mentioned to you earlier, the 33 supporters are not so firm. The directly-elected Rita Fan, for example, the former chairlady of the Legislative Council, has been re-elected. Definitely she will be nominated as the President of the next Legislative Council, and of course, then the government will lose one vote, because by convention the President of the Legislative Council refrains from exercising his or her vote in the legislature.

Also, we take a look at the pool of independents. Some of the independents remain political unknowns. You have to lobby for their support. They may be conservative on some issues, but they may be liberal on other issues. So their voting behavior will remain unpredictable. They will become the king maker in the legislature. If you recall the last several

years of Hong Kong under British rule, Governor Christopher Patten mobilized the civil servants to lobby for the support of every legislative councilor at that time, and he was quite successful.

Now, after the handover, the Tung Government tried its best, but sometimes was not so successful. Now, I think it will have a hard time gaining the support of the independents, depending on the situation, depending on the policy.

Now, another interesting issue is the Liberal Party. The Liberal Party is the pro-business party in Hong Kong. In the past they never participated in direct elections, except for the former chairman, Li Peng Fei. He participated in the LEGCO elections but was defeated. Now, this time the Liberal Party nominated two candidates. One is Lina Chow. The other one is the chairman, James Tien. Both of them were elected.

The government has to try its best to lobby for support from the Liberal Party because the Liberal Party actually rebelled against the government over Article 23 of the Basic Law. James Tien suddenly resigned from the Executive Council, fueling the debate over Article 23 of the Basic Law, and forcing the government to postpone the enactment. So the Liberal Party this time, would say, "Hey, take a look. The government has to listen to us. We are not unconditional supporters of the government."

So in a sense the Liberal Party actually has moved from its traditionally very conservative position to the middle of the political spectrum. So that's the reason why they could get some of the votes from the voters this time.

As I mentioned, James Tien's behavior was a little bit unstable, especially with regard to Article 23 of the Basic Law. Originally he agreed with the Tung Government, but suddenly he went to China and then he changed his views, so the Hong Kong Government will have a difficult time in ensuring the support of the Liberal Party because the Liberal Party has to appear to fight for the interests of the voters, right?

So the implication is that in the next several years, the Hong Kong Government will have to lobby very hard and may find it difficult to raise taxes. The Hong Kong Government has budget deficits. They may have to raise taxes or talk about GST, sales taxes. Now, the taxation matter may need the support of the Liberal Party, and so the Liberal Party will be very crucial in the next several years.

Another argument made in the newspaper commentaries concerns the proportional representation system, the so-called list system; that is to say, if you wanted to participate in direct elections you have to run as a group, Candidate No. 1, No. 2, No. 3, No. 4, right? This list system actually was adopted and imitated from Macao. Macao adopted this proportional representation system much earlier than Hong Kong.

The argument made by many commentators is that the PR system is unfavorable to the Democrats. This was also my belief originally, but I tried to take a look at the statistics and calculate whether this is true or not. Well, as it turned out, this is not really true. For example if

you take a look at the pan-democratic camp, which refers to the groups I mentioned, its candidates include the Democratic Party, Frontier, ADPL, Article 45 Group, and Independent Democrats, like Andrew Wan, who was defeated, and also the newly-elected "Long Hair" gentleman. Now, they got one million votes, amazing, one million. This is very, very, very impressive actually, one million votes.

If you take a look at the total number of votes in the direct election - if you can, go to the Hong Kong Government website and then take a look at the figures, and then use your calculator to calculate - the total number of votes in the direct election was about 1.7 million. If you divide the votes obtained by the democratic camp, you can see that, overall, the pan-democratic camp obtained 61.82 percent of the votes. The pan-democratic camp also got 18 of the 30 directly elected seats. If you calculate it, actually they got 60 percent of the directly elected seats. So in a sense, the proportion of the votes gained is more or less the same as the percentage of directly-elected seats grasped by the pan-democratic camp. So I would say that actually the proportional representation system this time is quite proportional. Not too bad, actually.

Not a bad result for the democrats, unlike what was reported by many commentators who tend to be quite hostile toward the democrats or who expect too much. Hence, not a bad result. Of course, when we add up the seats from the functional constituencies, the picture is different. Why? Because the functional constituencies tend to be dominated by the business sector, by the pro-government sector, and actually 11 of the 30 functional constituencies were automatically elected. No contestant, no contestant.

So overall the Democrats obtained only 25 of the 60 seats, or 41.6 percent of the total number of seats. So here, of course, if we take into account the overall result, then the proportional representation system is not so proportional.

Remember, the Hong Kong LEGCO structure is pretty constrained. It was designed in a way that makes the pan-democratic camp bound to be a minority, bound to be in that position, even though they got one million votes. Why? Because the Basic Law emphasizes that Hong Kong has to maintain an executive-led system. This is the harsh reality.

How about the patriotic forces: the farmers, the DAB and the Liberal Party? The DAB and its like-minded forces, lately some of the Liberal Party, they achieved foreign results in the direct elections. If we add up the DAB votes with the Liberal Party votes and also the Hong Kong Progressive Alliance, formerly supported by Sin Wan [ph], formed in Hong Kong before 1997, all their candidates in this election wipe out, wipe out. But the seats went to the DAB and also the Liberal Party. Actually, if you add up the votes together, there are about 658,000 votes.

Again, if we tabulate our figures, overall 37.18 percent of the total votes went to the patriotic forces. So if you take a look at the number of seats captured by the patriotic forces, 40 percent, so a little bit higher, a little bit higher, but basically you can see that this proportional representation system has not biased in favor of the patriotic forces in a very prominent way. So the problem is the functional constituency. The problem is not really the PR system.

So why did the Democrats fail to get more seats? You can ask this question, right? Well, after hundreds of thousands of people protested on July 1st in the last two years, as I mentioned to you earlier, people had high expectations, too high I would say, too high. Even before this election, before I came to Canada, I came to the United States, and some foreign diplomats asked me about the upcoming elections, and I told them explicitly that the democrats would not be able to get half of the seats. Impossible. But the media ignored the structural constraints of the LEGCO setup.

Now, in a sense the Hong Kong Legislative Council is just like a kind of a set up having two houses. The upper house with the functional constituencies and the lower house with the older, directly-elected seats. Having said that, the Democrats did have problems in these elections. One of the problems I saw--because I participated in observing some of their meetings-- is in hammering out platforms; they have serious problems here. Unless they solve these problems in the future, I don't think that they will gain more seats.

Number one, they were very individualistic, too individualistic. They failed to come up with a common political and economic platform. I still remember when I participated in one of their internal meetings in June. I just observed, and they had different arguments about platforms. Whenever they talked about business policy, economic policy, there was no consensus. Why? Because in the democratic camp there are class differences. Some of the labor unionists tend to be more pro-labor, whereas some of them tend to be more direct, right? So individualism can be seen, and they cannot even reach a common platform. This is unfortunate. And as a result, the mass media criticizes the democrats for having an empty platform.

The second problem is that some of the democratic activists were careless. Here, interestingly, some mass media organizations were pretty hostile to the Democrats. This is the harsh reality in Hong Kong since the handover. The mass media is very critical, very critical. Now Alex Ho, with the incident--he was a candidate of the Democratic Party. He was caught by the Mainland Chinese Police for hiring a prostitute in China, and this issue was highlighted by the Hong Kong media and even the Guangdong Public Security Bureau publicized this issue six or seven days before the elections, so of course the result was devastating to the Democratic Party. If you take a look at the votes for the Democratic Party, actually they lost almost 40,000 votes compared with the last election.

Another problem is that the Democrats did not really try a very sophisticated campaign strategy. They wrongly copied a so-called Taiwan method of allocating votes among voters. Actually, in Taiwan, when they tried to allocate votes, they were very sophisticated, very sophisticated. But in this election, with Martin Lee, they didn't have the experience. They just called for the voters to rescue him. That's all, right? And also we have to be very careful about public opinion polls. Although I was a member of the Hong Kong Transition Project, which conducts regular surveys on the attitudes of voters, sometimes the poll results have to be taken in a very suspicious manner because some of the voters will not tell you the truth about their voting behavior. Usually in the polls the figures on the support for the patriotic forces is underestimated. People tend to shy away from telling you their real voter intention.

Another problem is that some pollsters do not really train the researchers. They mobilize students to conduct the surveys, but actually some of the students did not have very sophisticated training. So I was very suspicious of many poll results, but unfortunately, many Hong Kong people, including the democrats themselves, believe in polls. Polls sometimes are only for reference.

Asking voters to vote strategically cannot work effectively among the pan-democratic camp voters. Why? Because if you take a look at the profile of the voters, if you run the statistics of the pan-democratic camp voters, usually they are middle class, usually they are more educated. Usually they identify themselves as Hong Kong people. But having said that, they are very loosely organized. They are very individualistic, and you cannot mobilize them very effectively, unlike the supporters of DAB.

If you take a look at the patriotic camp voters, they tend to identify themselves as Chinese. They tend to belong to the middle-lower classes, and they tend to be very well organized, especially at the housing [inaudible]. Remember that in Hong Kong there are so many public housing projects, and they are susceptible in mobilizing plans, associations, et cetera.

Finally, the Democrats were very passive in their campaign strategy. They did not really come out to explain and defend their actions when they were attacked; very passive, no spokesman. Strange, you know, very loose, just like a loose pile of sand. And the mass media exposed that. Some of the American organizations were supportive of the pollsters, just like Christine Loh and Robert Chung. It's here. If you are interested in this issue, you can take a look at the newspapers like Hong Kong Standard and then follow up with Singtao Newspaper and it is also highlighted by East Week magazine.

Here, you know, the newspapers said that the Americans support the democrats, and some mass media seemed to portray this interesting situation. Of course, I don't know the real impact on the voters, but having said that, the proof is that no democrat came out to explain the situation forcefully, they just came out, and they denied it. They said that, well, this was nothing special, et cetera. But it may have hurt the democrats. Why? Because if you whip up that kind of anti-American sentiment, this will solidify the intentions of the patriotic voters who strongly identify themselves as Chinese, and they would definitely vote for a DAB.

Now, the democrat platforms also lacked substance, as I mentioned to you earlier. They seldom talked about how to revive the economy, how to deal with the CEPA, the Closer Economic Partnership Agreement arrangement, how to tackle unemployment, how to improve education and how to protect ethnic minority rights. Empty, if you take a look at their platforms, very weak in this measure.

If you take a look at the performance of the patriotic forces, they were quite successful. Now, the DAB strategy, they adopted a very low profile. They tried to avoid making mistakes, just like the Hong Kong Government's strategy; no mistakes, no mistakes before the election,

don't alienate the voters. This strategy worked very well, and so they got 12 seats. For example, the FTU, Federation of Trade Union, people voted for Ms. Chan, and then the DAB supporters voted for Chan Kam-lam, and eventually both of them were elected in the same constituency, even though Mr. Chan seemed to lag behind all the other candidates in the opinion polls.

Number two, the Liberal Party, as I mentioned to you earlier, shifted its political spectrum to the middle, and that's the reason why they got a lot of support. They became less ultra-conservative.

Other issues in the elections: Number one, the Electoral Administration could have been improved. Some people complained about the ballot boxes. It seems that the ballot boxes were too small and yet the ballots were too large. So it's funny. Hong Kong is very interesting. 20 years ago you could never see such problem, but now there are all these interesting electoral problems, management problems, but actually, I would say they are minor problems. The voting station officers were mostly observing all the necessary procedures. Some of the officers opened the ballot box, so of course much remains to be improved. But basically the election was fair; it was a fair election.

Another very interesting phenomenon is that the Chinese mass media, the Hong Kong Chinese mass media, was quite hostile to the pan-democratic camp. Probably some of the Chinese newspaper organizations have very patriotic proprietors as well as editors. And if you take a look at some of the Chinese newspapers, they were totally biased in their reports, totally biased. Very interesting.

The quality of the reporters and the editors needs to be improved, and whenever reporters talk about the polls or the statistics they never mention the margin of error, never. So this is unsatisfactory. Also the Chinese media emphasizes all sorts of scandals, such as the scandal involving Alex Ho in China.

Now what about the implications for U.S. policy? Ellen can talk more about this. Here I will just give you some of my preliminary observations.

Since 1997 Hong Kong has become an international concern. During the debate over Article 23 of the Basic Law, many foreign countries openly expressed their views on Hong Kong, including Australia, United States, Canada, and many other countries. This 2004 election has very important implications for the policies of foreign governments towards Hong Kong. In a sense the election, as I mentioned to you earlier, was fair, and it also symbolized some degree of autonomy - some degree, not full autonomy, some degree. When we talk about rule of law it seems to be okay, but of course, the Hong Kong people still do not choose their own chief executive. But democratization has to be gradual, and in accord with the Basic Law.

The policy implication, as far as I can observe, is that U.S. policy makers or U.S. NGOs, or semi-governmental organizations may have to reconsider their involvement in the support of pollsters, researchers and political parties.

At one time I had a chance to observe one American organization training political party members in Hong Kong, and I can tell you frankly that I don't find the content to be very useful to the political party people in Hong Kong. Why? Because the content seems to focus on the way in which the Americans conduct constituency work, but I can tell you frankly that, in terms of constituency work, the DAB people, the Democratic Party, the pan-democratic camp, they understand the technicalities of how to conduct grass roots level work.

However, the Hong Kong political parties need help in terms of how to beef up their organization, how to beef up their local branches, how to portray their image in a more effective way. So in a sense empowering parties may not be conducive to democratic development in Hong Kong if we just train them in terms of their constituency services, et cetera, very basic issues. Instead, I would argue that foreign governments may be able to help Hong Kong develop its own style of democracy by empowering the mass media, helping the editors and reporters to understand the techniques of fair coverage. This is very important, very, very important. So this is my own suggestion for your consideration.

What's the conclusion? There are some myths about this election that need to be dispelled, as I argue. However, the pan-democratic camp's performance was by no means unsatisfactory, unlike many reports in the international press. Meanwhile, the patriotic forces performed quite well, with the Liberal Party shifting to the middle of the political spectrum, whereas the DAB retained very solid support of its constituencies. At one time the DAB even asked those supporters who are living in China, who are working in China, to come back to Hong Kong to vote; very impressive mobilization.

And overall the election represents not only fierce political competition but also some degree of pluralistic politics in Hong Kong, some degree of political autonomy here.

So while Hong Kong has become an international concern, as I suggest, the U.S. organizations may have to readjust their policies toward the Hong Kong SAR, not necessarily because of political sensitivities, but more to achieve the objective of helping Hong Kong people develop their own style of democracy, to develop their own political system, and on this aspect, as I mentioned earlier, empowering the mass media and improving the quality of reporters and editors by using personal exchanges. Even scholarship or fellowship programs may be considered. So that's my conclusion.

[Applause.]

MR. BUSH: Thank you very much, Sonny. That was really terrific, wholly comprehensive. And now we turn to Ellen, just back from Hong Kong.

MS. BORK: Hi, everybody. I did in fact just get back last night. On this trip I was reporting for the *New York Sun*, a paper in New York that was kind enough to send me over there, and I think I couldn't possibly equal Sonny's detailed and thorough knowledge of the electoral system.

I'm going to tell you a little bit about what it was like to be there, and what Sonny said, I thought, answered pretty much all my questions, but did open up a couple of interesting points for discussion.

I agree with virtually everything Sonny said. I think on some of the impact of the proportional representation system, I might differ a little bit, and I think it requires a lot more understanding in the international community which I think is fairly shallow when it comes to reporting the actual impact of the division of the legislature into these two different groups.

Just going back to election day, I went to Hong Kong Island. I went to a voters' forum on Kowloon East on Thursday, but on Sunday I spent most of my time until I went to the Counting Center on Hong Kong Island. There I had pretty much the experience you might expect; huge numbers of voters, long lines, people looking pretty frustrated in a couple places where the system wasn't really working very well. I conducted a number of voter interviews and was impressed to find out that people did not want to be seen talking to a reporter. I solved this problem by going around the corner and waiting for individual voters to come by and seeing if they would talk, and they did. But they always declined to be identified by their full name. This was something that Keith Bradshear of the *New York Times* also found.



Having said that, I also found in those little anecdotal encounters that those voters that I spoke to were mostly Democratic supporters. Some had come out directly in response to this last minute plea from the Democratic Party, which backfired so spectacularly, and some of them said very clearly: "I don't even really like the Democratic Party." One of them said more or less, "I was going to vote for the Audrey Eu/Cyd Ho ticket, but I saw that Martin Lee was in trouble, and I'm here, and what's really important to me is that the DAB doesn't win. I don't want Number 1." That's the slot the DAB had on the ballot.

I think the Democratic Party has to draw some lessons from that. Clearly, they didn't do as well as hoped and they may well have broken their pledge to coordinate with the pan-democratic forces on Hong Kong Island. At the same time I'd say that the recriminations that are going on in Hong Kong are extremely unproductive and are allowing the election results to be presented, much as Sonny said, as a loss to the Democrats, when truly it wasn't. That's something that I think Sonny probably can understand better than anybody. Overall I would say this criticism applies to the small "d" democrats, and to the Democratic Party in particular.

It's not clear to me why they don't make their case, why they don't better explain that this was a referendum on democracy. This was not about their party platforms, and I think everyone generally felt that way. Sure, in between elections there are policy issues to be decided, but I really doubt that many voters were voting on all of the different aspects of the party platforms or that they were terribly important.

I know we're supposed to get into a discussion, so I'm just going to run through a couple of things that I think would be great to have Sonny talk about. One is this question of the new blood in the Democratic camp. By the way, I think Albert Cheng's probably almost as old as Martin Lee, but maybe not quite.

[Laughter.]

MS. BORK: That's very interesting to me. Do they have more distinct views? Are they more focused on democracy and dealing with Beijing? I actually did get to interview Albert Cheng right before the election and he said it was all about turnout and results so that Hong Kong could interact with Beijing from a position of strength in future democratic development. That was not something I saw much in the English language press, but that was something he expressed very clearly. And is "Long Hair" working in the same vein, or will he be much more oriented towards local Hong Kong jostling? That is, is it going to be parochial and inwardly directed or is it going to be directed toward Beijing in the future?

Did the smear campaign have any kind of a positive effect in getting a high turnout of voters? I saw one report, I forget where I saw it, that in some areas the incident actually brought people out who were really angry that Alex Ho was arrested.

I'd also like to know what explains the unity of the patriotic--I actually shouldn't say that, because I think calling them that is pretty awful--but the pro-Beijing camp or whatever term you want to use. How do they manage to function better? Is it a question of their party structures developing better over time? Is it something else? Because clearly, I think, frankly, everyone who observes the democrats from abroad is disappointed in their ability to be effective as a group.

I think, Richard, would you like to go to questions?

MR. BUSH: Yes.

MS. BORK: Good. Maybe I'll make a few more points later, but thank you.

[Applause.]

MR. BUSH: Sonny, why don't you come up here and you field the questions. And if you have a question for Ellen, feel free to ask it, and she can come up and answer it, but I think I'll take a guess that maybe more of the questions will be to you, and you've already had three. So why don't you come up here.

The official time for us to close is 2:00, but I propose that if you have to leave at 2:00 feel free to do so. If you want to stay and keep asking questions, that's fine too until Sonny has to go for his plane.

DR. LO: Any questions?

MR. BUSH: Please identify yourself and speak into the mike.



QUESTIONER: First of all, thank you very much for your presentation, and if possible, three questions, one directly to you. As far as I know the official name is not Hong Kong, but in Russian it's [inaudible]. The usage of "Hong Kong," is it a kind of local patriotism or are there some other reasons behind it?

And two questions to Ms. Bork, both, and excuse me very much, and to you. One question is about this penetration into the governing bodies of Hong Kong. Doesn't it look rather like sinking into these bodies? This is the first question.

The second question is: I have read several times here that there is an argument that maybe more democracy would actually do harm to Hong Kong because more democracy will mean [inaudible], and the net result [inaudible] is for [inaudible]. Do you agree with this argument or you don't? Thank you very much.

MS. BORK: I don't see how Hong Kong is really that different, or different at all, from other places in the world where we decide that democracy, although not the best system, is better than all the others. I think foreign business is increasingly open on that point. Local businesses I think have a very complicated relationship with the Mainland, which obviously would take a long time to go into. I think that there are many different kinds of business in Hong Kong, and I imagine that the preponderance businesses are actually quite open to the rule of law and democracy. I think people who are hostile to it have a very different interpretation of what it takes to succeed in business, which involves a lot of qualities and ways of operating, activities--not necessarily criminal--but just a way of functioning that we wouldn't necessarily want to condone. So I think democracy is essential, and more importantly, is desired by a plain majority.

DR. LO: With regard to the name Xianggang, Xianggang has nothing to do with patriotism. I think in the past Hong Kong was also called Xianggang.

But with regard to your second question, penetration, I would say that as a long-time observer of Hong Kong politics, for almost 20 years, penetration is a fact in Hong Kong, and penetration has been very deep in all strata of the society. In a sense this is the success of China's united front strategy in Hong Kong.

If you take a look at the votes gained by the DAB--and I use the term "patriotic forces"--it's amazing. They increase from time to time, from year to year so you can see the indicators. They even approach one million votes, of course compared with the pan-democratic camp votes, the DAB is not so strong.

With regard to your third question, I would say that Hong Kong people are very mature. They are very moderate. And if Hong Kong has democracy--here I fully agree with Ellen--if Hong Kong has democracy it will run very well. But the problem is that, you know, we are living in a very constrained, frugal environment. It takes time for China to democratize gradually. So in a sense Hong Kong's democracy is constrained structurally. There is no choice. But I would say that for the business argument, they should not be afraid of democracy, because this time if you take a look at the Liberal Party, they are successful with Chairman James Tien and also Salina Chow. They got a lot of votes. So in a sense this is good for Hong Kong democratization because even the business people can participate in politics and they themselves have votes. In a sense this is a healthy development in democracy.

Jim and then Professor Lieberthal.

QUESTIONER: Sonny, I have a question on what you said on policy implications for the United States because it puzzled me a little bit. If I understood you right you said the United States shouldn't be supporting enterprises like polling, but it should be supporting news coverage like reporting and editing. If the argument was that things like polling could be attacked as somehow subversive or--so if that's true--and I'm not sure I agree with that--but if that's true, having just been in Hong Kong and seen the issue of American support for reporting in China raised as a--is this a subversive issue--isn't that the same problem? Wouldn't that be attacked? And if the answer on reporting is, well, support for reporting and editing is support for a legitimate enterprise, then isn't that also true for polling? I don't understand the distinction.

DR. LO: In my mind the distinction is like this: If you support the polling organizations, later on, when Article 23 is enacted, these polling organizations will be in deep trouble. Now, my opinion and suggestion is that if the American organizations support individual reporters only on an individual basis, not the newspaper organization, individual reporters, how to enhance their reporting skills or understand the technicalities, then when they go back to Hong Kong they know how to report. They understand the professionalism behind generalism. That's the meaning.

MS. BORK: Actually, I agreed more with the point you made earlier, which is that the involvement of America has to be explained better, and that the recipients of democracy assistance are almost as bad at explaining it as the people who are hostile to it.

[Laughter.]

MS. BORK: So I think that any journalist who comes over here and is trained, is also vulnerable to attack. This is only going to get worse. You might know that Madeleine Albright wrote a letter that appeared in the press on election day--because she's the chairman of NDI [National Democratic Institute for International Affairs]--she was so appalled at distortions about what NDI was doing. The Chinese press picked up a *Hong Kong Standard* story and left out that NDI had trained the DAB. By the way, I suspect you're probably right that the party training may not fit Hong Kong's circumstances. But it was extremely important that she did that.

Frankly, I and my friend, Mickey Worden, who worked for Martin Lee, have been the subject of attacks. We ignore it because we think it's silly. Frankly, as former staffers, you know, you're not really supposed to take attention away from your boss. But I think in a way that the Democrats have been on the defensive on that and they really need to get up and invite congressmen to come over, and invite the chairmen of these groups to come over and explain exactly what democracy assistance is and why the U.S. supports democracy in Hong Kong and elsewhere.

My Hong Kong friends think it's fine that America supports pro-democracy activities in Hong Kong. Obviously, it has to be done carefully and in the right way, but in fact, the attacks are something that are only going to get worse and we all need to respond to. Frankly, the State Department also could be a little more willing to talk about it and explain it.

DR. LO: Professor Lieberthal and then this gentleman, and then [inaudible]. Many questions.

QUESTIONER: You made a wonderful presentation. One of your comments was that the Hong Kong electorate is relatively mature and that a democratic system would really work. As we all know, China, some months back, turned toward a much tougher line toward Hong Kong, much more pushback against the rapid development of a more democratic structure of the system. I heard the argument made then--and by the way, I will say I agreed with this argument--that that would end up being counter-productive, which is to say China may be creating the kind of strong opposition in Hong Kong that it wanted to avoid by being too heavy handed, and that the payback for this may well be around 2007, the first time when there was, according to [inaudible], well, the opportunity to open up the system much more.

Your presentation makes me think that that analysis may have been logically correct and factually wrong, which is to say that in reality a stronger or tougher Chinese line did not backfire, and therefore, 2007 may not see a stronger backlash, and the people in Beijing [inaudible] and so on. Where do you come out on that?

DR. LO: That's a very good question. Basically I agree that if China adopts a hard line policy towards Hong Kong, for example, mobilizing some agents to use intimidation tactics on radio hosts, journalists and even some academics, et cetera, this will backfire, backfire in the sense that those people affected will react fiercely just like Albert Cheng. But the majority of the population do not understand the situation. The majority of the population, they don't care too much about high-level politics, if you like. So, yes, in a sense.

On the other hand, if they adopt a very hard line policy, it does work, and that's the success of the united front strategy, combining smear campaigns with very skillful economic measures. If you take a look at the elections here, just one month or two months before the election there were all sorts of economic measures. They just bombard Hong Kong with all sorts of economic measures, very successful, very pragmatic.

But having said that, I believe in the rationalism and independence of Hong Kong voters. They are very westernized. They are very cosmopolitan. From this perspective, Hong Kong will remain a major place in Mainland China to fight for democracy.

So here, to answer your question, China's hard line policy has good aspects as well as bad aspects. The good thing is that it may really polarize some of the voters. Some of the voters are really angry, and you can see the result. Martin Lee still gets a lot of votes, but on the other hand, it really is effective in the sense that there is a kind of polarization. There's a kind of polarization in Hong Kong politics. For those people who are really patriotic, they will really become very patriotic, and they hate the Americans, they hate Martin Lee, and they hate Albert Cheng.

But for those people who are more cosmopolitan, they will really vote for the democrats. In a sense this is a clash of civilizations.

Yes. So many hands. Perhaps you can just speak now and then Ellen and I will respond.

QUESTIONER: If, as you say, the media in Hong Kong are more or less anti-democratic across the board, would it be in the interest of any news organization in Hong Kong to get support from United States? That's the first part.

And secondly, I'm interested in knowing what role British influence played in the election process.

DR. LO: Good question. Yes?

QUESTIONER: I have two questions. Number one, you said that the pan-democratic forces do not really have a substantial platform. Why? Is it because all the things about democracy are nothing or because they disagree with each other on such major issues they simply cannot work out those issues? That is, employment and [inaudible], or everything, so they end up without a unified platform, which of course hurts them.

I also want to hear your comments on Martin Lee's miscalculation on the eve of the election. To what extent will this miscalculation undermine the further unity or coordination among different democratic parties or organizations?

DR. LO: I see. Yes. Any other questions? We will try our best to respond to some of the questions.

QUESTIONER: I'm interested in knowing about the composition of the patriotic forces. Would you include the recent immigrants from China because I think there's a continuous flow from China, as well as the people who work for China-related enterprises.

DR. LO: That's good. Yes?

QUESTIONER: I'm Louisa Greve from the National Endowment for Democracy, and I have to say, I appreciate very much all the thought that you've put into helping us plan out our program designs for our future assistance to democratization in Hong Kong. I thought I should say a few words.

Ellen is right that Madeleine Albright wrote a very eloquent explanation of why international pro-democracy organizations feel that it's normal and right to support democratization efforts. I should say that the main American organizations are not the U.S. Government. There are no programs, there's no support other than U.S. policy statements that may support democratization generally. Any support to individual nongovernmental organizations in Hong Kong are, in the case of NDI, a little bit of technical assistance and supporting DAB--or offering training to DAB as well as the other parties. In the case of NED, grants to two organizations and two organizations only: Pacific Exchange, Christine Loh you mentioned, and also the Hong Kong Human Rights Monitor, which we've been supporting since British days, and that's nothing to do with this year's election.

A second point, as a sort of substantive point, I would make is that Hong Kong is so unusual in that, from our experience across the globe, we are interested in helping groups which want to improve the constitutional structure of their country, to create democratic institutions across the board in an atmosphere conducive to helping democracy, as you say. And Hong Kong is no different. Perfectly happy to assist the people interested in democratization in Hong Kong.

And yet it's one of the very few places where you can have democracy be an election issue. Why shouldn't that be a platform? So it's actually an unusual case in that by supporting organizations which have as a goal further deepening the democracy in their countries is somehow seen as taking sides in an election, and the reason that that's so hard to get our heads around is that most of the time you either have a relatively open system and then you can compete on other platforms, economic policy and so on, or there's no elections at all. And Hong Kong is this odd situation that most of us don't get to see anywhere else in the world.

DR. LO: Thank you.

QUESTIONER: [I have three questions: 1) Were the democrats interfered with or blocked by the government during the election campaign? 2) What must the democrats do to win more seats in the next election? And 3) Do you foresee any modifications to the Election Law or the Basic Law?]

DR. LO: Any other questions?

Ellen, yes?

MS. BORK: I'll just respond to that. I think there is a creeping level of discomfort, even fear in Hong Kong about various kinds of intimidation, and I think I certainly have had friends, who were involved in politics, who talk about concern about eavesdropping, for example. They've begun to take greater precautions to protect their privacy and the kind of things they're doing. It's become a creepier place. I have friends writing me about that, and they're quite distressed.

DR. LO: Let me answer all the questions in a very brief way. Now, first of all, with regard to the mass media, I think none of the Hong Kong mass media would like to portray themselves as having American linkage. This is a very sensitive issue, so that's the reason why foreign governments, if you want to help Hong Kong, just help individual reporters, in an individual capacity, because the mass media, they have lost interest. Some of them want to enter the China market. A lot of economic interests are involved.

Number two, since 1997 the British have actually withdrawn from Hong Kong substantially. We can see that, although some of the remarks that are made by the British Government are pretty supportive of Hong Kong democracy, basically you can see a kind of very prominent change in the British policy towards Hong Kong.

Number three, with regard to the platforms of candidates in elections, I think the absence of political platforms among the candidates is attributable to the political cleavage among the candidates in the democratic camp. As I mentioned earlier, they are too individualistic. But having said that, I tend to agree with Ellen. I also felt the voters weren't really affected by the absence of platform. I would say that now Hong Kong is so polarized and so ideological that voters, they understand who they are going to support even before going to the polls. So here in this sense, maybe I overemphasized platform. Platform in a sense is only a kind of symbolic meaning here.

Now, Martin Lee's miscalculation means that in the long-term future there will be a number of scenarios. Scenario No. 1: he will probably withdraw from the political arena and let the young take over. Scenario No. 2: he will continue to participate in direct elections, but he will run in different constituencies. Scenario No. 3: he will continue to participate in elections, but he will run on his own ticket without having any partner. So this is quite possible. And Scenario No. 4: the Democrats will learn a bitter lesson from this election and they will probably plan better in the future. So that's my prediction.

With regard to the patriotic terms of voters: Now, this is a very interesting issue. Yes, there are a lot of new immigrants from the Mainland in Hong Kong. But having said that, they have to--if they want to vote, they need to stay in Hong Kong for 7 years. But later on, with more and more Mainland immigrants coming to Hong Kong, I anticipate that the DAB supporters will probably increase, and this is very important.

One interesting point is that during the election, and even before the election, one DAB candidate explicitly said that some overseas Chinese with foreign passports, unless they live in Hong Kong, should not vote in Hong Kong elections. So in the long run, if patriotism in Hong Kong increases over time, there will be a debate over the possibility of preventing overseas Chinese with, say, American or Canadian citizenship to vote in Hong Kong elections, and this will be an explosive issue because before I came to the United States, the Canadian-Chinese made the argument that those Canadian-Chinese who have the right to vote in Hong Kong should be allowed to vote in Canada, but of course this is impossible.

If you take a look at the profile of the voters, those overseas Chinese usually support the democratic camp. That's a very interesting issue.

Now, with regard to the American organizations, I think I agree with you, but basically I expected the American Consul General in Hong Kong to be more up front in rebutting any American involvement in Hong Kong elections. I didn't see the rebuttal, so perhaps your government will consider a stronger reaction, because Hong Kong people get confused. Hong Kong people get confused, and there was no clarification really, no clarification.

Finally, with regard to the Beijing Government's involvement, of course, such involvement, if it exists, has to be very subtle. I have studied Hong Kong politics for 20 years. Such involvement in grass roots organizations can be seen. If you conduct intensive research interviews with the housing organizations people, mutual aid committees, the way they penetrate to the grass roots level is like this: basically, they tend to depoliticize the issue first. For example, they invite you to *dimsum*. This is depoliticized. They invite you to a snake soup dinner, right? Nothing political. But actually, in the long run there are political objectives because by mobilizing you to go to a lichee dinner or a snake soup dinner, actually the objective is to grasp your vote. But in a sense this is also democracy because the candidates are fighting for the interests of the constituents, right? But at the same time, it also provides a golden opportunity for Beijing agents -- I would say agents, not Beijing, not directly, but agents -- to penetrate into the grass roots level, and they are very successful. This explains why the DAB has been so successful.

That's all.

MR. BUSH: Do you want to answer Ellen's questions? Do you remember Ellen has some questions?

DR. LO: Yes. Ellen, you raised the question about--let me see—

MS. BORK: I said, "Is the new blood substantially different from the old blood?"

DR. LO: Yeah. I think some of the new blood are very radical. We will have to observe very carefully.

MS. BORK: Besides Long Hair?

DR. LO: Long Hair and Albert Cheng make some very provocative remarks, so there may be a possibility that the executive-legislative relations in Hong Kong will deteriorate in the sense that there will be fierce argument, and there may be a possibility that the Long Hair gentleman may violate the rules or the order in the Council and he might be expelled from the Legislative Council. Who knows?

So we will have to observe very carefully because this time some of the so-called radicals were elected. The question is whether they will moderate their stands.

The second possibility is that they will moderate their stands and they will become the targets of cooptation, more moderate, but then this will split the pan-democratic camp because the pan-democratic camp has survived a variety of views ranging from radical to conservative or to moderate. So we will have to observe very carefully.

Final question?

[Question inaudible.]

DR. LO: Thank you very much. Thank you.

MR. BUSH: Thank you all for coming. Thank you, Sonny, for provoking a very lively discussion, and you're always welcome back. Thank you, Ellen.

[Applause.]

MR. BUSH: See you next time.

[End of discussion.]