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**BASIC LAW AND THE NEW POLITICAL ORDER
OF HONG KONG**

by

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BASIC LAW AND THE NEW POLITICAL SYSTEM OF HONG KONG

The colonial regime of Hong Kong, as an authoritarian regime, is unique in its soft and benign rule. That such a "benign autocracy" can persist for such a long time and in the face of momentous socio-economic changes in Hong Kong is due in large part to the peculiar political context wherein Hong Kong is located. The benignness of colonial rule expresses itself particularly vividly in the limited functions of the government and the socio-economic liberties enjoyed by the ruled.

The crucial condition making "benign autocracy" possible is the fact, commonly recognized by the Hong Kong Chinese, that the only alternative to colonial rule is rule by Socialist China, which is considered as intolerable. The "China factor" thus buttresses colonial rule by making it invulnerable to being overthrown by the colonized. As a matter of fact, China inadvertently becomes the bulwark for continued colonial rule and relieves the British from the need to resort to many of the harsh authoritarian measures usually employed by a typical authoritarian regime to maintain its rule.

The scheduled resumption of sovereignty over Hong Kong by China in 1997 has changed the political context wherein the existing political system of Hong Kong functions. The sudden transformation of China from a dormant "threat" into a key political player in the Hong Kong political scene engenders a certain level of politicization of Hong Kong, which is related to the need felt by certain sections of the Chinese populace to "protect" themselves from Chinese interference after the British have departed. The degree of politicization has also been heightened by the Hong Kong Government in its efforts to introduce "representative" government in Hong Kong, efforts which have more or less been aborted by 1988 (Lau, 1987). This externally-induced demand for political changes however runs against the internal institutional requirements of a capitalist economy which has prospered under a non-democratic political system. The apparent incompatibilities of the external and internal requirements of the political system have plagued the reform efforts of the British, the abortion of which, however, has left behind a political system featuring a weakened government surrounded by a large number of power fragments which together constitute a turbulent political environment for the colonial regime. The picture is further complicated by the efforts of the colonial government to strengthen

itself by the adoption of some mild authoritarian measures, which, together with the reforms already introduced by it, become political realities which China, in fabricating a new political system for Hong Kong, has to face.

The Draft Basic Law of the Hong Kong Administrative Region of the People's Republic of China (for Solicitation of Opinions) (Draft Basic Law for short), issued in April 1988, shows clearly that China is haunted by the same political dilemmas which have plagued the British when they embarked on the reform of the political system of Hong Kong since 1979 (Lau, 1985). Intent on preserving the basic features of the political system which has undergirded Hong Kong's economic prosperity in the past, the executive-centered character of the future political system is underscored. Nevertheless, China has perforce to recognize the political reforms already introduced by the departing British and all the difficulties they have created for the operation of the system, take into consideration the demand for democratization by certain sections of the Hong Kong people and to cater to the interests of the established interests. As a result, even though the institutional structure of the future political system basically resembles the existing system, there are imbedded in the new political system quite a number of contradictions which will create difficulties for its smooth functioning, particularly in view of the facts that the "cushion effects" of the colonial regime are no longer there, the autonomy of the political system is reduced, the political power at the disposal of the Executive is less than before and its policy-making power is placed under more constraints. These difficulties will be accentuated in the years immediately before and after 1997,¹ and in periods of serious economic and social breakdown. Consequently, it is quite likely that the formal institutional structures of the new political system will very probably call forth a set of extra-constitutional political arrangements as their supplement it and make it work more effectively. However, in spite of these emergent arrangements, the contradictions imbedded in the formal structure can only be ameliorated, rather than removed. Therefore, the

¹I am assuming here that after the promulgation of the Basic Law by the People's Congress of China in 1990, the Hong Kong Government will modify the political system of Hong Kong in the direction stipulated by the Basic Law. Therefore, the new political system of Hong Kong as specified by the Basic Law will be in place before 1997.

operation of the future political system cannot avoid but evince a certain degree of fluidity and uncertainty. While there is always the possibility that the future political system will regress in a more authoritarian direction, it is my argument that with the installation of these extra-constitutional arrangements, the overall character of the new political system of Hong Kong will become more open and more beneficial to the masses. However, before this argument becomes valid, several assumptions have to be made throughout the paper: (1) China will abide more or less faithfully by the Basic Law, (2) the more significant institutional changes introduced by the Hong Kong Government will not be dismantled, (3) the Hong Kong Government from now on will not seek to fundamentally change the existing political system, (4) Hong Kong will not find itself in such grave difficulties that would necessitate harsh emergency measures or even the suspension of the Basic Law, (5) the Chinese Government will not make extensive and arbitrary use of the powers conferred on her by the Basic Law, (6) China will not engage in large scale mass mobilization in Hong Kong, and (7) there will be no resort to constitutional revision to radically change the institutional structure.

The Colonial Legacies

Notwithstanding the changes that the colonial political system have undergone in the past two decades, and particularly since 1982, there are several basic features of the political system which are of enormous importance in differentiating Hong Kong from other authoritarian regimes (Linz, 1964, 1975; Huntington and Moore, 1970; Perlmutter, 1981), and which are additionally pertinent to the analysis of the new political system. It is these features which epitomize the colonial regime as a unique authoritarian regime rarely encountered in the modern world. That such a regime can survive for a long time calls for explanation, and the key to a satisfactory explanation lies in the unique political context wherein the regime is situated.

The political system of all authoritarian regimes is highly autonomous, which means that the political system and the functionaries in charge of it are independent of the socio-economic groups surrounding it. Political power is highly concentrated, and political leaders obtain political power largely through political channels. There is very limited exchange of personnel between the polity and society or economy. Consequently, the exercise of political power follows basically the logic of politics, which is little understood by those outside the political arena. It follows then that opportunities of political participation

are restricted to a few in society.

The colonial political system is a highly autonomous polity (Lau, 1982). The dominant institution in the polity is the meritocratic bureaucracy, which owes its allegiance to Britain and not to those under its rule. The degree of political autonomy of the colonial regime is further enhanced by the fact that it rules over a largely atomistic society of immigrants and their progeny. The dearth of trusted leaders and powerful organizations in Hong Kong means that the bureaucracy is not subjected to serious political challenges from society. As a matter of fact, the autonomy of the colonial regime is of undisputed importance in its ability to effectively preside over a capitalist society with competing private interests and to safeguard its collective interests.

The bureaucracy in all authoritarian regimes is a power center, though it rarely is the most powerful one. It usually plays a junior political role to that of the charismatic leader, the military, or the ruling party. What is distinctive about Hong Kong is that it has a "pure" bureaucratic government. A significant corollary to that is the absence of a ruling political party there. In other authoritarian regimes, however weak or ineffective the ruling parties are, they are needed to legitimize the regime, to mobilize the political support of the ruled, to serve as the channel of political recruitment, and other important political functions. As noted by Huntington, "(u)nless it can guarantee indefinitely a relatively low level of political mobilization, an authoritarian regime may have little choice but to organize and develop a political party as an essential structural support" (1970: 9) That the colonial regime has no use for a ruling party is a telling fact, for it indicates that the regime feels politically secure. In fact, unlike other colonial regimes which have been overthrown by independence movements in the post-War era, the colonial regime in Hong Kong has been immune from nationalist onslaughts.

The absence of a government party does not mean that the colonial regime is dependent on physical coercion or political control in securing its rule. Even though coercion is not unimportant, its role in the maintenance of the colonial regime is minimal in view of the fact that its arbitrary use will destroy the prosperity of a place which, being devoid of natural resources, has to rely on the incentive and initiative of its people to apply their ingenuity and efforts to the fullest extent. Furthermore, reliance on coercion and control could easily arouse nationalistic sentiments among the people and pit the colonial regime unnecessarily against China who otherwise finds it easier to justify the existence of the colonial regime on utilitarian grounds.

What is even more unique about the colonial regime as an authoritarian system is the liberality of its social and economic policies. Authoritarian regimes elsewhere, in their pursuit of economic development, social advancement and even remolding of human values and personality, exercise enormous control over the economy and society. State ownership of a substantial portion of the productive resources, propaganda machines, restrictions of human rights, and state-initiated social organizations are commonly found under these regimes. It goes without saying that these measures are also instrumental in the preservation of these regimes and the suppression of opposition. In Hong Kong, the colonial regime has managed to impose self-restraint on the exercise of political power. By professing the doctrine of positive non-interventionism in both the economy and society, the Hong Kong Chinese are left alone in the pursuit of their private social, economic and cultural goals, and are able to enjoy a large degree of social and economic liberties (Wacks, 1988). The profession of limited government by the colonial regime and the resultant separation between the "public" political domain and the private socio-economic domains admittedly are derived from the political philosophies of the colonial officials, but they also show pointedly the sense of political security of the powerholders.

What explains the unique features of the colonial regime as an authoritarian regime? Part of the explanation lies in the very policies of the colonial government itself. By voluntarily delimiting the extent of application of political power, socio-economic issues, which can easily become political issues directed against the government, are safely removed from the political agenda. The ability of Chinese society to solve many of its problems and the miraculous performance of the economy jointly work to depoliticize socio-economic issues by acting as solvents of conflicts, which relieve the colonial government of the need to tackle with many difficult issues with all the ensuing troublesome political consequences.

The crucial factor that explains the ability of the colonial government to rule over a complex, modern Chinese society for such a long time with limited reliance on political control and minimal possession of economic resources is the China factor. The China factor ironically operates in the negative sense. It is not the active support of China that bolsters the colonial regime, though in many subsidiary ways China has rendered help to it. What is significant about the China factor lies in the impossibility of Hong Kong becoming an independent nation. The only alternative to colonial rule is takeover by Socialist China. Such a scenario however is a haunting specter to

the majority of the Hong Kong Chinese, many of whom have come to the territory to flee communist rule. The China factor adventitiously safeguards colonial rule and helps make it easier (for instance, the inflow of labor and capital to Hong Kong on the eve of Communist takeover of China enabled it to embark upon its industrialization process).

Being immune from nationalist challenge and invulnerable to being overthrown by the colonized, the colonial government can afford to adopt a more liberal style of rule. Needless to say, liberality of rule is not tantamount to democracy in the literal sense of the term. But it certainly leads to a decent level of governmental openness and responsiveness. (Of course, the China factor is not the only factor that explains the style of rule of the colonial government. Other apparent factors include the changed colonial philosophy of Britain in the post-War period, the "necessity" of enlightened rule in a modern society, and the anti-colonial international sentiments.) Thus, in Hong Kong we find the so-called "parts of democracy" (Sklar, 1987) - such as civil liberties (the most notable of which are freedom of expression and the autonomy of the press), judicial independence, advisory committees, opportunities for informal political participation and the exertion of political influence, and the Independent Commission Against Corruption (ICAC) - scattered around the political system. Though these "parts of democracy" by themselves do not constitute a systematic and effective counterweight to political authority, they still operate to apply some checks on the arbitrary exercise of power by the autonomous bureaucracy. To lubricate the policy making and policy implementation process, the colonial regime has managed to pay meticulous attention to public opinion, to co-opt Chinese elites into the government by means of appointment to advisory and honorary positions, to adopt an accommodative stance toward social and economic interests, and to enter into informal negotiations or ad hoc arrangements with groups affected by government decisions or actions. These measures have gone a long way in softening the formally dictatorial character of colonial rule and to even garner support for colonial governance. From a dynamic point of view, the degree of liberality of colonial rule has gradually increased in the last two decades as a result of the growing demands on the government coming from a society experiencing the dislocations of rapid modernization, the appearance of pressure groups and the inability of the existing linkage mechanisms to cope with the closer relationship between government and people and the higher political expectations of a more educated public (Lau, 1983).

The advent of the 1997 issue suddenly changed the character of the

China factor and its effects on the colonial political system. The transformation of China from a deterrent factor "protecting" the colonial regime from internal political challenge into the future political master of Hong Kong irreversibly alters the political scene, threatening the viability of the colonial regime. The emergence of dual authority in Hong Kong undermines the legitimacy and authority of the Hong Kong Government, thus reducing its ability to tackle with political demands from the people. At the same time these political demands escalate in reaction to the scheduled transfer of sovereignty and are expressed as attempts to force the colonial government to introduce reforms which can be used in the future to curb Chinese power or to give up as well as give away certain forms of colonial power which might be used by China in the future to "control" the populace. The colonial government, out of both self-regarding and other-regarding motives, whets the appetite for political reform of some Hong Kong people by promising to establish "representative government" in Hong Kong. (So does China by making the promise of allowing the Hong Kong people themselves to govern Hong Kong in the future.) Nevertheless, the government-initiated reforms turn out to be a gross political miscalculation and are speedily abandoned (Lau, 1987). Ideally speaking, political reforms would foster the formation of a governing coalition composed of the colonial regime and a group of trusted political leaders who are moderate, in favor of capitalism Hong Kong style and supportive of the colonial regime. But the colonial government's reform attempts are hampered by the weakness of existing leaders and organizations and these cannot be created overnight. The "ambitious" and unrealistic plan of the colonial government to introduce a popular form of democracy rather than a limited democracy of elites in effect alienate the established interests and undermine its own support basis. Additionally, the existence of dual authority in Hong Kong means that there is no power vacuum for the local leaders to fill or to prove themselves through effective and responsible exercise of political power. What is most damaging is the fact that the opposition of China and the established interests to the reforms is mobilized against the colonial government. In the case of China, the reforms threaten to rouse anti-China and anti-Communist feelings or actions. And it is the danger of class conflicts and the profusion of "free lunches" that alarms the established interests. Ultimately the "alliance" between China and the established interests prove too strong an opponent for the colonial government, which is also disheartened by the political apathy of the masses, the political conservatism of the middle classes, and the failure of the democratic activists to mobilize popular support for democratization. What is even more surprising to the colonial government is that instead of bringing about a batch of leaders who are supportive of it,

political reforms have facilitated the rise of a number of politicians who are hostile to it and who constantly try to create conflict between it and China through filing unrealistic demands. In addition, instead of uniting the Hong Kong society through political reforms, the society is divided severely, particularly among the elites. In the end, political reforms have antagonized the established interests without providing the colonial government with the alternative support from the masses.

The abortion of political reforms however generates political dynamics of its own, and it involves containing the newly-mobilized political forces and ensuring that the colonial government can continue to rule effectively. At this juncture the relevance of the China factor applies in a positive sense, instead of in the negative sense as a deterrent factor previously. Increasingly active though not necessarily manifest support by China and her supporters in Hong Kong is needed by the colonial regime in its governance. Political bodies with elective elements, such as the Legislative Council and the District Boards, are in reality demoted to a slightly lower political status through selective withdrawal of information and inadequate consultation on important issues. But of more importance to the new political system of Hong Kong is the "reforms" undertaken by the colonial government in the wake of the abortion of the efforts to institute Westminster government in Hong Kong. In a certain sense, these new "reforms" are used to counterbalance some of the reforms already introduced along the line of establishing "representative" government. In essence, these reforms take on mild "authoritarian" coloration in that they have the effects of weakening the influence of the "representative" bodies with electoral elements, which in effect bespeaks of the fact that without the dormant negative deterrent effects of the China factor, the colonial regime would need some of the authoritarian gadgets of other authoritarian regimes in order to maintain stable and effective rule. Nevertheless, the decline in authority which the colonial government has suffered does not enable it to adopt harsh control measures.

The colonial regime attempts to circumscribe the new power fragments created by its previous reforms (such as the Legislative Council), which are not in actuality very powerful in the first place as the reforms have been swiftly terminated, by creating more new "power fragments" and cultivating supporters in the process. The thrust of these "counter-reforms" lies in the delegation of administrative power to appointive bodies attached to the bureaucracy. The proliferation of independent bodies with policy-making power (such as the reformed Housing Authority, the Broadcasting Authority, and the

forthcoming Hospital Authority), advisory committees with enhanced administrative authority (such as the Transport Advisory Committee), and the privatization of government activities, is prototypical effort along this line. Some of the more apparent effects of these "counter-reforms" can of course be justified on efficiency grounds as they undoubtedly will reduce the workload of the Governor, the Executive Council and the Government Secretariat. They will indisputably reduce the fiscal burden on the government. Still, their impact on the future political system of Hong Kong is momentous and has yet to be fully understood. Some of the more significant aspects of these "counter-reforms" are:

(1) the political overload or political heat at the center of the government is reduced as public pressures will hopefully be diverted to these para-administrative bodies;

(2) to a small extent the assignment of particular policy areas or executive functions to the para-administrative bodies will depoliticize these areas or functions by turning them partly into technical issues where political considerations should play a limited role;

(3) opportunities for political influence are granted primarily to members of the established interests and the upper-middle-class on an individual basis, thus to a certain extent meeting the political aspirations of the middle classes without at the same time running the risks of mass politics which both the government and the Chinese elites abhor;

(4) elaboration of the executive-centered political system and expansion as well as consolidation of the appointment system by dispersing administrative power to independent bodies with executive powers. These bodies are beyond the purview of the political bodies with elective elements. At the same time, many civil servants, quite a number of whom do not like to work under politicians who tend to claim all credits but without being able to shield civil servants from political attacks as in the Westminster system, are glad to hide themselves behind the political walls provided by these independent bodies;

(5) by co-opting Members of the Legislative Council, Urban and Regional Councillors, and District Board Members into various para-administrative bodies, the government can weaken these "representative" bodies as political entities while selectively elevating the political standing of

some of the members of these bodies (particularly the appointed members) by appointing them to influential positions in these para-administrative bodies, and at the same time enhancing the "representative" status of these appointive bodies. These para-administrative bodies enable the legislators and other "representatives" to specialize and exert influence on particular policy areas, but on the terms of the government. Elected and appointed politicians from the LegCo, the Urban and Regional Councils and the District Boards are taken out of the "representative" bodies and are surrounded by experts and officials. Attachment to these para-administrative bodies will have the effect of diluting the identification of these politicians with the "representative" bodies where they come from as they develop distinctive policy interests and political perspectives. As a result, while the status and influence of individual politicians increase, the influence of the LegCo, the Urban and Regional Councils and the District Boards as political entities at the same time suffers.

(6) these para-administrative bodies, by serving as multiple foci for the attention and activities of the pressure and interest groups, also make it difficult or unnecessary for them to launch concerted and large-scale efforts against the government unless policies having significant society-wide impact are at stake.

The dispersal and delegation of part of political power to both elective and appointive bodies through reforms and "counter-reforms," but without making any of these bodies powerful enough to exercise overall governmental functions, unavoidably produce the problem of coordination and supervision. This problem has already given rise to a counter-trend of political and administrative recentralization inside the government, as seen in the reorganization of the budgetary planning system in the Government Secretariat, the plan to restructure the decision-making mechanism at the center by strengthening the power and responsibility of the Secretaries, and the attempt to increase the planning capacity of the government. Generally speaking, the recentralization process in no way diminishes the significance of power dispersal and delegation in Hong Kong's political system, but it goes somewhat to provide coherence to public policies and gives the government some extra political muscle by serving as the arbiter among fragmented and competing interests.

All in all, the legacies of the colonial government add up to a more conflict-prone but nevertheless more open government. The bureaucratic government, whose autonomy and authority have been weakened, is however

still able to govern, though with greater difficulty. The lack of a strong sense of political community among the Hong Kong Chinese² and the divisions among elites stemming from past political reforms mean that the different power fragments are not quite prepared to compromise with or accommodate each other, making it difficult to forge the consensus required for effective policy formation and implementation. Occasionally the colonial government has to resort to blatant authoritarian measures to ride roughshod over particular interests, leaving in the wake political discontent and mistrust. In short, the reforms of the colonial government and their abrupt termination seem to have created more difficulties to the political system than originally anticipated. However, the colonial government is no longer in a position to change the system in a direction which will resolve the difficulties created by past reforms. Ironically this task falls on China as the future sovereign of Hong Kong.

China and the Future Political System of Hong Kong

China started off as an arch-opponent to the reforms introduced by the colonial government (Lau and Kuan, 1986; Lau, 1987), but she seemingly will end up not only accepting these reforms as the basis for the design of the future political system of Hong Kong. What is ironical is that the additional reforms to be embodied in the future system will move it in the same direction of change as previous colonial reforms.

Nevertheless, the viability of the soft authoritarian regime set up by the British is contingent upon the colonial government as the buffer between China and the Hong Kong people as well as upon China as the negative deterrent factor. Otherwise, either the political system has to move in a more authoritarian direction by reinforcing the control power in the hand of the government or to move in a more democratic direction by subjecting the

²That the people of Hong Kong can readily endorse the principle of functional representation underlines the weakness of the sense of political community (a feeling that all people in Hong Kong share willy-nilly the same fate) among them. The implication here is that Hong Kong is not a single community but a collection of "communities" each requiring separate representation. If the concept of political community is widely held, the community of Hong Kong "should" primarily be represented by the legislature as a whole body freely elected by the whole body of citizens. See for example Crook (1987: 567).

government to popular control. Objectively speaking, despite its economic performance and educational achievements, the overall political and socio-economic context is not favorable to rapid democratization (Lau, 1987). The lack of the necessary sense of political community, the failure of the established elites to agree to play according to the rules of the popular democratic game, the weakness of the democratic leaders (who have yet to develop a mass base), the opposition of China and the established interests to over-democratization, and the passivity and cynicism of the masses are some of the more important factors that exclude the democratic option as a viable alternative to the colonial system.

The another option - that of bona fide authoritarianism (instead of the soft authoritarianism of the colonial government) - seems to be the logical choice. And it appears to be more attractive as a strong government is needed to deal with the dislocations stemming from the 1997 malaise and to provide the favorable investment environment to attract foreign capital and technology. The latter consideration appears to be of particular importance at this critical juncture of Hong Kong's economic development when Hong Kong has to upgrade its industrial structure and when domestic capital is undergoing the process of "de-indigenization."

However, the authoritarian solution cannot be realistically adopted. In view of the intense mistrust of China by the Hong Kong people, any blatant and arbitrary application of political power by a China-backed authoritarian Hong Kong government will only spell the demise of Hong Kong as a vibrant economic center. The solution of China is to create a surrogate of the colonial government after 1997 in the form of the Basic Law, which is a sort of political contract between China and the Hong Kong people. Through the Basic Law, China voluntarily imposes restrictions on her sovereign power when it is to apply to the Hong Kong Special Administrative Region for fifty years after 1997.

By placing primary emphasis on the preservation of prosperity and stability, China prefers a more or less soft authoritarian polity similar to the pre-1982 colonial system which China deems is instrumental to the creation of the economic miracle in Hong Kong. An authoritarian polity would also function to prevent the open mobilization of anti-China sentiments and activities. Nevertheless, some forms of democratization will help win trust and confidence among the Hong Kong people and present a more favorable image of China and Hong Kong to the Taiwanese and internationally. Furthermore,

there is a need for China to improve upon the colonial system in a more liberal direction as an indirect way of denigrating the colonial regime as illiberal. In all, China approaches the process of designing the future political system of Hong Kong with serious dilemmas and reservations which have haunted the British not so long ago. At the end, China opts for a less open political system but at the same time giving further away some fragments of power to various political, social and economic groups.³

True to the style of governance of the colonial government, the autonomy of society and economy is also enshrined in the Basic Law in explicit terms. Formally speaking, the degree of socio-economic autonomy guaranteed by the Basic Law surpasses that currently available in many ways. In any case, socio-economic autonomy as it now exists has not been granted any constitutional status, but is only the product of the philosophy of rule of the colonial government and its view of the need of Hong Kong. In her eagerness to placate the people, particularly the established interests, almost all of the rights and privileges currently enjoyed by many groups are entered into the Basic Law, and are thus consecrated. One might also have the impression that the established interests are given more than what they currently have. However, as the various private interests in Hong Kong are conflictive and fragmented, the enshrinement of these interests in the Basic Law makes their simultaneous advancement very difficult. In the Basic Law drafting process, the myriad private interests are encouraged as individual interests to register their

³China might also have some reservations about the ability of the Hong Kong people to govern Hong Kong, and this is easily understandable. In the first place, the fact that the Hong Kong people have never been given the opportunity to govern themselves makes it difficult for China to genuinely have much confidence in their political ability. The process of political reform undertaken by the British also demonstrates amply the difficulty of forming a unified and trustworthy leadership among the Hong Kong Chinese, and precisely such a leadership is needed to make the formula "Hong Kong people governing Hong Kong" work. Furthermore, the possibility that a large number of people in the elite strata might have migrated to other countries before 1997 might weaken China's confidence in the ability of Hong Kong in self-rule. Finally, the several incidents in the last several years which saw confrontation between sections of the Hong Kong people and China might also have prompted China to re-evaluate the ability and intention of the Hong Kong people (though the reverse is also true).

demands with China. Given the atomistic nature of Hong Kong society and the weakness of the concept of general interest, China is faced with a flood of self-regarding demands and requests from the socio-economic groups in Hong Kong. Since these demands and requests are scattered and unaggregated, China is forced inadvertently to play the role of the arbiter to uphold the "general interests" of Hong Kong. Yet China does not seem to have the capability (based on thorough understanding of the short-term and long-term needs of Hong Kong) nor the determination to play that role. And in any case China will not be trusted by the Hong Kong people to play that crucial role. Accordingly, what is contained in the Basic Law is a congeries of private privileges and entitlements which together might seriously affect "public interests." More importantly, they are justiciable claims.

In brief, because of various constraints and considerations, the political system fabricated by the Basic Law is a product of compromises and reflects the dilemmas faced by China in her approach to designing the future polity of Hong Kong. The future political system thus contains seeds of conflict which do not seem capable of being resolved through the institutional means provided for in the Basic Law. However, before I elaborate upon this argument, a brief look at the future political system is in order.

The future political system is a prototypical executive-centered polity. The Chief Executive plays the pivotal in the system. He is selected or elected independently of the legislature, most probably elected by a small electoral college in which the established interests are over-represented. The Chief Executive exercises enormous political and administrative powers, and he independently appoints his advisors and principal officials. The Chief Executive can in most cases veto the bills passed by the legislature and even dissolve it. under special circumstances. Even though the Chief Executive might not be the President of the Legislative Council, he can still exercise some control over the legislative process in the sense that his consent is required before the legislature can introduce bills with fiscal implications or even with implications for governmental policies, structure and operation. He and the executive authorities under his leadership are accountable to the Legislative Council only in a narrow sense: "They shall implement laws passed by the legislature and already in force; they shall present regular reports on their work to the Legislative Council; they shall answer questions raised by members of the Legislative Council; and they shall obtain approval from the Legislative Council for taxation and public expenditure."(Article 64) The Chief Executive can only be impeached by the legislature only in the event of serious breach of law or

dereliction of duty and only after a very complicated procedure.

The legislature in the future political system will be constituted by a combination of direct and indirect elections. The major powers granted to the legislature is the power to enact laws and to approve taxation and public expenditure. In general, the major functions of the legislature are oversight and the articulation of public opinion rather than legislation and formulation of public policies.

The meritocratic civil service will be preserved. However, civil servants will no longer be the supreme rulers of Hong Kong as they will be placed under a layer of political leaders centering upon the Chief Executive.

The future government will be the only government of Hong Kong as there is no provision for local governments. District organizations may be established according to need to discharge some advisory and executive functions. But in no circumstances will they be developed into become local governments.

In many ways, the future political system as specified in the Basic Law bears striking resemblance to the existing political system. But in several significant ways the future system differs from the existing one:

(1) The autonomy of the future political system is reduced as it will be more dependent on those strategic socio-economic groups who are given the power to select or elect the Chief Executive, the core of the future system. Accordingly, the relation between the polity and society will be closer and the political system will be more subjected to the demands and pressure from an increasingly politicized society.

(2) The power at the disposal of the political system is also decreased as a result of the enhanced autonomy of society and the economy.

(3) The autonomy of the bureaucracy is qualified by its subordination to the Chief Executive and the socio-political forces which render support to the Chief Executive.

(4) The power of the legislature is increased as it can now impeach the Chief Executive, though it cannot dismiss him.

(5) The role that China will play in the future system, as compared to that played by Britain in the existing system, will be more prominent, particularly as she would be the arbiter in case of conflict between the Chief Executive and the legislature and as she alone possesses emergency powers.⁴

When we add these differences to the changes already introduced by the Hong Kong Government in the past few years, the future political system is characterized by a weakened and less autonomous government led by the Chief Executive. This government is situated at the center of a more fragmented power structure, which is made up of a more powerful legislature (which is itself fragmented because of the multiple modes of representation), a large number of independent para-administrative bodies and influential advisory committees, and a plethora of socio-economic as well as political groups some of whom find their interests entrenched in the Basic Law. Fragmentation of power inevitably creates difficulties for effective government. When we also take into account the turbulent political situation that will confront the future political system before and after 1997 and the serious socio-economic problems it has to tackle with, the problem of governability naturally arises. Nevertheless, the Basic Law fails to provide the necessary institutional solutions to the problem as it does not provide the institutional means for power aggregation.

⁴The emergency powers of China are implicit in Art. 17 of the Basic Law which contains the following: "Laws, enacted by the National People's Congress or its Standing Committee, which relate to defence and foreign affairs as well as other laws which give expression to national unity and territorial integrity and which, in accordance with the provisions of this Law, are outside the limits of the high degree of autonomy of the Hong Kong Special Administrative Region, shall be applied locally by the government of the Hong Kong Special Administrative Region by way of promulgation or legislation on the directives of the State Council, whenever there is the need to apply any of such laws in the Region. Except in cases of emergency, the State Council shall consult the Committee for the Basic Law of the Hong Kong Special Administrative Region and the government of the Hong Kong Special Administrative Region before issuing the above-mentioned directives. If the government of the Hong Kong Special Administrative Region fails to act in compliance with the directives given by the State Council, the State Council may decree the application of the above-mentioned law in the Hong Kong Special Administrative Region."

Contradictions and Difficulties in the Future Political System

As Hong Kong is denied the more internally consistent options of hard authoritarianism or democracy, what results is a soft authoritarian system with a number of inherent contradictions and difficulties. To obtain a more comprehensive view of these contradictions and difficulties, we have to situate the political system in the larger context of the Hong Kong society and its developmental imperatives. Our central theme here is that all the contradictions and difficulties are related to the need for an autonomous political system which can aggregate enough powers to form a collective authority which is adequate to govern a capitalist society populated by competing and conflictive private interests.⁵

⁵All capitalist societies have varying degrees of institutional contradiction and difficulties of governance. They result mainly from the need of the political system to achieve simultaneously incompatible goals or goals beyond its capacity, the existence of conflictive power groups with diverse interests, structural division of power and functions among institutions and the lack of sufficient fit between the institutional structure and the political culture. These contradictions and difficulties will also be aggravated when social change generates incongruities between the constitutional setup and the socio-political reality. The French political system is a prototypical system of "institutional uncertainty" in the sense that one cannot determine unequivocally where real power resides just by looking at the constitution of the Fifth Republic and thus there is always an element of volatility in French politics (Ashford, 1982; Converse and Pierce, 1986; Suleiman, 1980). In Italy, the weakening of the constitutional power of the Executive since the Second World War however is not compensated for by a solidary legislature, thus exacerbating the "governability" problem (Di Palma, 1977; Spotts and Wieser, 1986; Barnes, 1977). The separation of powers in the American political system have gradually resulted in weak and unstable political leadership and a presidency who is forced to undertake the futile task of meeting escalating expectations from the people but is deprived of the means to do so (Burns, 1984; King, 1978; Neustadt, 1980; Rose, 1980; Lowi, 1985). In Japan, the post-War constitution imposed by the American Occupation originally sought to transplant a hybrid of American and British systems to Japan. However, as a result of the interplay between this imported system and the Japanese socio-political context, uncertainties emerge and have to be partially resolved with non-constitutional means (Thayer, 1969; Pempel, 1987; Haley, 1987). Even the longtime stable British system suffers from strains in the Post-War period with the increasing political polarization among the major parties there (Finer, 1980).

The first contradiction in the future political system lies in the possibility that the autonomy of the polity will be threatened by the formal inclusion of the bourgeoisie into the system, whereas in the existing system they have no place in the constitutional setup even though they exercise enormous political influence. It is true that whether formally incorporated or excluded, the bourgeoisie unexceptionally enjoy certain political powers, even in authoritarian regimes where the bourgeoisie are dominated by the state.⁶ As pointed out by Berger (1986 79), "a capitalist economy, even when subjected to all sorts of governmental interventions, creates its own dynamic that confronts that state as a relatively autonomous reality. Whatever else the government then controls, it does not fully control this zone, which ipso facto limits state power."

Both Marxist theory and non-Marxist theories underscore the essentiality of state autonomy to the maintenance of the capitalist order. The state is required to intervene in conflicts and respond to crises within the capitalist system and to provide the political, legal and often, the economic infrastructure necessary for its survival and development. In doing so, the state may act contrary to the immediate interests of the propertied classes, but it is just this separation of political and social power that constitutes the basis of the capitalist state's effectiveness in advancing the long-term interests of capitalist society. The more fragmented and conflictive the interests of the bourgeoisie are, the more the mediating function of the state is required. In effect, the role of the state is to maintain the integrity of the capitalist order rather than to cater to the interests of individual capitalists. As succinctly phrased by Nordlinger (1981: 176-177):

⁶See for example the cases of France (Suleiman, 1987), India (Kochanek, 1974), Pakistan (Kochanek, 1983), Britain (Sacks, 1980; Useem, 1984), the U.S. (Useem, 1984; Edsall, 1984; Chandler, 1980; Vogel, 1983), Indonesia (Robison, 1986), Japan (Vogel, 1979: 106-117; Yanaga, 1968), South Korea (Jacobs, 1985), Zambia (Baylies and Szeftel, 1984), Brazil (Cardoso, 1986) and Mexico (Story, 1986).

Within the bourgeoisie there are differing perceptions of the seriousness of the threat from below, as well as varying estimates of its impact upon the interests of particular capital units and sectors. Largely because of these divisions, the bourgeoisie can neither formulate policy preferences that would further its common interest in maintaining a politically predominant position, nor bring together its political fractions within a unified, highly mobilized political party to compete effectively with the political organizations of the dominated class for control over the state. Here too there is a need for autonomy. The most effective policy options for dealing with the dominated class usually develop out of the "State organization's own routines and formal structures," public officials distilling and integrating collective bourgeois interests which are then translated into public policy despite the opposition of narrowly based, shortsighted, situation-bound capitalists and their political organizations.

The bourgeoisie in Hong Kong are extremely fragmented and will become even more so with the growing importance of international capital and the growing influence of Chinese state capital. This would to a certain extent diminish their overall influence over the government. The fact that the future government derives its legitimacy mainly from China and the fact that China would definitely render it support should also bolster its autonomy. On the other hand, unlike many other political systems where the government plays an important economic role and can use the economic power at its disposal to constrain the actions of the bourgeoisie,⁷ the Hong Kong Government is autonomous in the negative sense of being able to resist demands from segments of the bourgeoisie. Hence, on balance, just when the autonomy of the political system has to be further enhanced, the Basic Law does just the opposite by eroding its autonomy.

Another contradiction in the future political system lies in the co-existence of elitist and democratic principles of political action. The inclusion of

⁷See Zysman (1983) for a comparative study. For case studies, see for example Johnson (1982) for Japan and Jones and II (1980) for South Korea.

direct election in the electoral system produces the endemic possibility that political organizations based on mass mobilization will challenge the legitimacy of the future system or undermine its "smooth" functioning. In times of economic difficulties or social dislocation, the threat of mass actions incited by radical populist leaders will become larger. However, the political system will not have the necessary institutional means or coercive power to control mass actions, nor can the masses be formally incorporated into the political system as in the democratic polity. Needless to say, the great influence exerted by the pro-China forces in the labor unions and in community organizations would generate moderating effects. However, as these pro-China organizations cannot enjoy organizational monopoly in the domains concerned,⁸ they would be hard pressed to adopt a more aggressive political stance and a more redistributive orientation. It thus follows that the strain between the elitist and exclusionary mode of political participation and its opposite, the populist and inclusionary mode, is an inherent characteristic of the future political system.

The third contradiction follows from the second one. There will be a tendency or even imperative for the governing elites in the future political system to placate the masses with the provision of tangible benefits (public welfare, material rewards to individual supporters, pork barrel benefits, patronage, community services and facilities) in order to prevent mass mobilization or to garner mass support in elections, as in many other authoritarian regimes,⁹ even though coercive means are available.¹⁰ Given the

⁸Hong Kong can be contrasted with other societies where the masses (including labor) are organized only or mostly into official organizations or organizations sponsored or recognized by the state. See for example Singapore (Deyo, 1981), Brazil (Mericle, 1977), Mexico (Collier, 1982; Erickson and Middlebrook, 1982; Eckstein, 1977).

⁹In some cases such as Mexico, the ruling elites can also utilize symbolic or ideological appeals to demobilize the masses.

¹⁰See for example Singapore (Chen, 1983), Taiwan (Gold, 1986), Latin America (Ascher, 1984), Africa (Bienen, 1978: 48-55; Sandbrook, 1972), India (Weiner, 1967), Egypt (Waterbury, 1983), and the Philippines (Nowak and Snyder, 1974).

minimal importance of direct election in political recruitment, the need to court mass support in the future political system of Hong Kong is smaller than in other societies. However, in view of the restrictions on the fiscal capability of the future government and its socio-economic non-interventionist policy, the governing elites will be deprived of the necessary resources to "buy off" the masses.

The independent election of the Chief Executive and the legislature and the lack of institutional linkage between them creates the possibility of executive-legislative deadlock, and this constitutes the fourth contradiction of the system. Even though the power of the legislature to impeach and the power of the Chief Executive to dissolve the legislature provide the means to get out of a deadlock, but these means are difficult to use. The Chief Executive "can dissolve the Legislative Council only once in each term of office." (Art. 50) As it is highly probable that a majority of the seats in the legislature will be filled by candidates indirectly elected by voters in restricted franchises, the threat of dissolution of the legislature to the legislators will be smaller than to their counterparts in popularly elected legislatures, since the indirectly elected legislators do not have to conduct the expensive campaigns in order to get re-elected. It is also very possible that most of the legislators in the last legislature will be returned to office by the voters. In that case, the Chief Executive might be compelled to resign. The power to impeach the Chief Executive is curtailed by the fact that impeachment does not entail his automatic dismissal as the power to dismiss the Chief Executive resides in the Chinese government. If a deadlock cannot be broken up easily by institutional provisions, it will simply endure and "paralyze" the government.

The fifth contradiction lies in the peculiar arrangement of having only one bureaucracy but three "levels" of representation (the Legislative Council, the Urban and Regional Councils, and the District Boards). Given the compactness of Hong Kong, the boundary between local politics and "national" politics is ambiguous. This will create in many instances contradictory pressures on the bureaucracy as the representative bodies claim the right to hold the same bureaucratic administration "accountable" at the same time. As a matter of fact, the incumbent government is currently suffering from such an arrangement. It seems likely that the political difficulties springing from this setup will perpetuate themselves after 1997, particularly when the representative bodies on the lower level have a larger proportion of members with more "radical" orientations.

The sixth contradiction consists of the conflict between power fragmentation and the imperative of policy coordination and policy planning in the future development of Hong Kong. This contradiction is already in existence and I have referred before to the effort at "recentralization" by the Hong Kong Government as one of its "counter-reforms" to lessen the fissiparous effects of power fragmentation. But since the process of "recentralization" takes place largely within the bureaucratic administration, it is not adequate to deal with a situation where not only is administrative power dispersed and fragmented, but political power as well.

The last "contradiction" expresses itself in the co-existence of political and socio-economic autonomy. As a matter of fact, the distinctive feature and the most "democratic" aspect of the present colonial system is this dual autonomy. I have used the terms "secluded bureaucratic polity" and "minimally-integrated social-political system" to refer to this state of affairs (Lau, 1982). However, as the activities and functions of the government expand, as growing governmental intervention in society and the economy becomes unavoidable, as society depends increasingly on the government for the management of social and economic problems, and as effective policy-making and implementation requires not only more inputs from society but also active cooperation or complementary actions from it, the distance between the polity on the one side, and society as well as economy on the other, will be shortened. Consequently, the more Hong Kong develops, the greater the need to fine-tune the relationship between the polity and the socio-economic system.

All these contradictions and the difficulties for effective governance they create are obviously manifestations of the diminished autonomy of the political system and the difficulties of creating collective authority by aggregating power in the future political system. And they are the logical products of a soft authoritarian system constrained by socio-economic autonomy, a doctrine of limited government, limited resources at the disposal of the government and power dispersal and fragmentation. The seriousness of these contradictions, it can be easily seen, varies with the degree of politicization and consensus in society. And there is always the possibility that these contradictions would turn out to be not serious at all. Yet, it will be a natural trend for a complex, modern society to increase its level of politicization incessantly, subjecting the political system under increasing pressure. When this long-term trend combines with the short-term political and administrative needs of a society undergoing the ordeal of the transfer of sovereignty, the problem of "governability" will become salient in Hong Kong

in the run-up to 1997 and beyond.

On the other hand, the uncertainties inherent in the future political system also carry some potentialities for further "democratization" despite the soft authoritarian institutional structures. As put by Przeworski, "(T)he process of establishing a democracy is a process of institutionalizing uncertainty, of subjecting all interests to uncertainty. ... Democracy means that all groups must subject their interests to uncertainty. It is this very act of alienation of control over outcomes of conflict that constitutes the decisive step toward democracy." (1986: 58) If the nature or consequence of democracy is uncertainty, we might also say that under some conditions contradictions (or uncertainties) in the future political system of Hong Kong would facilitate the appearance of some elements of "democracy," as well as other consequences, not adequately envisaged by the drafters of the Basic Law.

Power Aggregation and Collective Authority: Constitutional Mechanisms

The key to circumscribe the negative impact of the contradictions inherent in the future political system lies in devising mechanisms and arrangements which can aggregate political power into collective authority and can increase the autonomy of the political system. The purpose of these mechanisms is to produce a certain level of consensus and harmony among the contradictory parts of the political system to enable it to operate more smoothly and to provide a certain level of coherence in public policies. In terms of the contradictions in the future political system mentioned above, these aggregative mechanisms should promote the autonomy of the polity to prevent it from too heavily influenced by the bourgeoisie, conciliate the elitist and populist principles of political action, to mediate between the elite and the masses, minimize the possibility of executive-legislative deadlock, orchestrate the demands of representative bodies on the three levels, allow policy coordination and overall policy planning to take place, and foster joint actions by the polity and society in policy formulation and implementation. They should also foster consensus and coherence of action in the major institutions of the political system, particularly in the legislature. It goes without saying that there is close relation between power aggregation and autonomy of the polity. Both are necessary to establish an effective government to preside over the capitalist order in Hong Kong. An autonomous polity devoid of the ability to aggregate power will be a weak polity, while power aggregation without an autonomous polity would mean political domination by sectarian interests who

would use political power for private ends, to the detriment of public interests.¹¹ In the latter scenario, the government becomes largely the instrument of the hegemonic socio-economic interests.

Theoretically speaking, there are several conditions which would enhance the autonomy of the political system: divisions within the dominant classes, increased pressures from the subordinate classes so that the dominant classes are forced to concede additional discretionary power to the state to deal with them, and increasing levels of class conflict which leaves the state freer to play the role of independent arbiter between classes (Rueschemeyer and Evans, 1986: 63-64). I have already referred to the fragmentation of the bourgeoisie above. The second and third conditions also hold, but to a much less extent. Therefore, a certain level of autonomy of the future political system of Hong Kong is already assured. China, as the most important source of legitimacy of the future political system, also functions independently to buttress its autonomy.

The meritocratic civil service, which forms the mainstay of the political system, is an additional autonomy-enhancing mechanism, as civil service jobs are not available for political patronage. The civil service as an autonomy-enhancing mechanism will be of enormous importance in view of the fact that there will not appear in the Hong Kong political scene a large sector of professional politicians. If the method for the election or selection of the Chief Executive can be devised in such a way as to represent a wider spectrum of interests (even though it is unavoidable that the bourgeoisie will be over-represented), it will also be conducive to a high degree of autonomy of the future political system.

What is more troublesome is the aggregation of power. The political system stipulated in the Basic Law does provide some institutional mechanisms to counteract the inherent contradictions within it by enabling some forms of power aggregation to take place. Nevertheless, to anticipate our conclusions a little bit, they are insufficient for the purpose. Let us proceed then to analyze the aggregative capability of the Chief Executive, the bureaucracy and the

¹¹Of course there is also the possibility that an autonomous polity will develop its own private interests to such an extent that it will use the political power at its disposal to pursue mainly its own ends. This phenomenon happens quite often in societies with military governments or under personal rule.

legislature, in descending order of importance.

(2) The Chief Executive The Chief Executive occupies the pivotal position in the future political system and seemingly possesses enormous constitutional powers. A superficial view will expect him to become a dictator, a political strongman or a personal ruler, and be politically corrupted in the process. If such is really the case, the problem of power aggregation should already have been solved. In fact, no problem of aggregation can exist from the very beginning because aside from the power of the Chief Executive, there is no other power at all to aggregate. Closer scrutiny will find the situation much more fluid and complicated. For a comprehensive understanding of the role of the Chief Executive in the executive-centered system of Hong Kong, we have to consider the sources of his authority, the functions that he performs, the organization of his political leadership, and the context within which his political power is exercised (that is, the types of constraints that effectively check the seemingly wide-ranging powers that the Basic Law gives him). Therefore, even though the constitutional powers granted to the Chief Executive are formidable, they are qualified by a number of factors.

In the first place, the Chief Executive derives his legitimacy from both China and Hong Kong, and it is his duty to mediate between the two by promoting their common interests and to reconcile their differences. In view of the lack of adequate trust between the Chinese Government and the Hong Kong people, this is an extremely delicate and difficult job. A Chief Executive who cannot win a decent level of trust from the Hong Kong people will not at the same time be accepted by China. In a conflict-prone situation, if left alone, the natural course for the Chief Executive to take is to play safe and do as little as possible unless extremely necessary. This means that the powers at his disposal cannot be exercised to the full. Consequently, the Chief Executive will be constrained both from the top (China) and from the bottom (the Hong Kong people).

The mode of election or selection of the Chief Executive also constrains his actual power. It is most likely that he will be chosen by an electoral college which represents largely the interests of China and the elites of Hong Kong, the latter in turn embodying a variety of interests with the established interests which are pro- or friendly to China dominating. Having no independent base of power of his own, the Chief Executive is merely primus inter pares in the political leadership of Hong Kong. He has no hope of developing a power base of his own akin to that of dictators elsewhere. He

might even not be able to adopt a high profile by playing up populist themes because that will draw the suspicion of China that he is going to subordinate Chinese interests to Hong Kong localism, and that will also antagonize the established interests. It is very likely that he will put as his top priority the cultivation of the support of China and the local elites in a discreet and circumspect manner. Aside from the difficulty and risk of using the power to dissolve the legislature in order to control it, the Chief Executive may also find it necessary to deal with the legislature in a conciliatory manner, for the electoral college which puts him in place is also responsible for electing a substantial proportion of the legislators. In a sense, both the Chief Executive and a portion of the legislators are "accountable" to the collection of elites who make up the electoral college. At the very least, the Chief Executive cannot unscrupulously deal with legislators elected in such a manner.

In his relation with the legislature, the Chief Executive is also hampered by the fact that he has to depend on the arbitration of China in case of serious conflict between them rather than being able to resolve it by the constitutional power in his possession. What is more, any appeal to China for arbitration by the Chief Executive will very likely erode his standing in the eyes of China. Furthermore, even though the legislature is politically weak, still the Chief Executive has to depend on it to pass his bills. As it is most probable that he will not be the President of the Legislative Council, he will not be able to control the legislative procedures to prevent the deployment of opposition and delay tactics by unfriendly legislators and to expedite the passing of government bills. As it presently stands, the Chief Executive is at the mercy of the legislature in terms of legislation and budgetary appropriations.

His relation with the bureaucracy is no easier. Since the civil service, which is trained in the British image, is to be left intact, and as the Chief Executive is expected to recruit most of the Executive Councillors and principal officials from the ranks of civil servants, the dependence of the Chief Executive on the bureaucracy is enormous. Given the differences in outlook between Hong Kong's civil servants and Chinese officials, and the generally suspicious attitude of civil servants toward China, the Chief Executive is also expected to have a hard time trying to mediate between the Chinese Government and his formal subordinates. The civil service in Hong Kong has a tradition and dynamics of its own, and even colonial Governors find it hard to move them in the direction they desire. The future Chief Executive will have thus a very serious challenge awaiting him in the discharge of his duties.

The Chief Executive is also constrained by the paucity of resources available to him to cultivate and reward supporters. The incorporation of many existing public policies in the Basic Law restricts the policy-making power of the Chief Executive. The entrenchment of the established interests in the Basic Law makes them less dependent on the Chief Executive for their protection. The integrity of the civil service means that the Chief Executive cannot reward his supporters with public office. The doctrine of limited government and the requirement of fiscal austerity implanted in the Basic Law deprives the Chief Executive of the resources to mobilize popular support through the expansion of public welfare and services, for the instrumentally-oriented masses are not susceptible to symbolic or ideological appeals.

As Hong Kong is not an independent nation, the Chief Executive is further denied the opportunity of using diplomatic or military feats or adventures to bolster his power. In addition, having no emergency powers to deal with internal crises, the Chief Executive will have no chance to become a "charismatic" leader through his handling of crisis situations.

(2) The Bureaucracy The bureaucracy in the colonial system is the sole aggregator of power and the exerciser of collective authority. In the future political system, it will continue to be so, for in an executive-centered system the bureaucracy will still be of prime importance in policy making and implementation. And it will be the most important political arena where socio-economic groups with conflicting interests will interact. In the formulation of policies, the bureaucracy will find itself playing a critical role in promoting consensus or compromises among the conflicting interests.

In many authoritarian nations, aside from the normal power aggregating job, the bureaucracy is heavily relied upon to subdue the opponents to the regime, and hence achieving power aggregation by eliminating powers antagonistic to the regime.¹² The bureaucracy in Hong Kong will be much

¹²In Singapore, for example, through the government institutions such as the Citizens' Consultative Committees and the community centers, and recruiting the natural local leaders into these institutions, the "objective is nothing short of attempting to weave Government and Party with society." (Chan, 1976: 163) The bureaucracy there also works to reduce the organizational opportunities for its political opponents by: expanding governmental structure and to a lesser extent party structures all over the Republic, co-optation of people of various

weaker in this aspect. In terms of power aggregation, the importance of the bureaucracy in the future will be limited by a number of factors. In the first place, the bureaucracy will not be the supreme power center as it is at present, this naturally limits its power aggregating capacity. Secondly, much of the power aggregating job (such as the formation of collaborative ties between the Chief Executive and the legislature) will take place outside of the bureaucracy. Thirdly, just like the Chief Executive, the public resources at the disposal of the bureaucracy will be limited by the Basic Law, thus imposing constraints on the aggregative capability of the bureaucracy. Lastly, there will be a centrifugal tendency within the bureaucracy itself, thus producing a problem of power aggregation (policy coordination and reduction of intra-bureaucratic conflicts) within the bureaucracy itself. The centrifugal tendency arises because with the dispersal of administrative power through delegating them to para-administrative bodies and with the increase in influence of the interest and pressure groups, the different parts of the bureaucracy will establish close relations with outside groups who share with them similar outlook and interests. This would exacerbate intra-bureaucratic conflicts. These close relations will be reinforced if the bureaucrats find that outside support is useful in preserving their autonomy against "interference" from China and the Chief Executive who is likely to be seen as "pro-China."

(3) The Legislature With the exception of the U.S. Congress, legislatures all over the world are weak in the sense that they have limited decision-making powers and limited control over the Executive (Mezey, 1979, 1985; Kim et.al., 1984; Suleiman, 1986). The future legislature in Hong Kong is no exception. However, its power and independence nevertheless will surpass the present one. Instead of a center of policy-making and legislation, it provides the political arena for the articulation of disparate socio-economic and political interests and the possible reconciliation of them. The composition of the future legislature however might limit its ability to promote consensus, conciliation and compromise. Being the embodiment of contradictory representative principles (popular representation, functional representation and elitist representation) and the concomitant differences in political philosophies and

 12(cont'd) socio-economic strata, and measures to restrain and check the development of the political opposition - public security laws, mass media control and control of the labor movement (Chan, 1976: 202-206). In Africa, "(w)hat occurred (in single-party states after independence) was an increasing merger of government and party at both the national and local levels. It is argued that the party was taking over the government. It often looked like the reverse."(Wallerstein, 1966: 210)

constituency interests, the future legislature is bound to be a conflict-prone one if no other arrangements are installed to reduce conflict. Since it has limited policy-making power and will not be held "accountable" for erroneous public decisions, there is a tendency for some legislators to behave "irresponsibly," or oppose for the sake of opposition. Furthermore, since the legislators do not have executive power or control of public resources that can benefit their constituents, they might feel compelled to resort to personal image building through public utterances. However, too much concentration on personal image building might alienate fellow legislators as well as their own supporters. Consequently, the future legislature will be a source of power disaggregation as well as a mechanism for power aggregation.

Thus, the major institutional mechanisms for power aggregation and consensus-building provided for in the Basic Law are far from adequate to fulfill the function of establishing a decent level of collective authority in Hong Kong. And it seems to us that there will be a natural tendency for the political system to develop extra-constitutional mechanisms to meet the requirement.

Power Aggregation and Collective Authority: Extra-Constitutional Mechanisms

From a comparative perspective, constitutional political arrangements in all nations co-exist with extra-constitutional arrangements. The latter arise for a variety of reasons and their effects on the former are also legion, which run from being supportive to disruptive. The forms these extra-constitutional mechanisms can take also vary enormously, ranging from institutional setups such as political parties and para-administrative bodies to informal arrangements (factions, patron-clientism, corporatist networks, political machines, pacts between conflictive elites,¹³ and ad hoc alliances among

 13For factions, see for example Japan (Thayer, 1969) and Italy (Zuckerman, 1979). For patron-client networks, see Schmidt et. al., 1977. For examples of corporatist arrangements, see Schmitter and Lehmbruch (1979) and Lehmbruch and Schmitter (1982). For political machines, see for example Banfield and Wilson (1963) and Guterbock (1980). Examples of pacts between liberal and conservative elites can be found in the small European democracies in Sweden, Norway, Denmark, Switzerland, Austria (Katzenstein, 1985), in Spain (Gunther et. al., 1986), and in the three small but comparatively more stable Latin American democracies (Venezuela, Costa Rica and Columbia)(Peeler, 1985).

political opponents). Obviously, the more important extra-constitutional mechanism as an aggregator of power and builder of collective authority is the political party. And the appearance of mass-based parties as a result of the extension of the electoral franchise in the modern world has proved to be a momentous event which greatly transformed the political landscape and changed the original intentions of the constitutions in the places where they are found. To cite just one example, the problem of power aggregation engendered by the constitutional separation of powers is largely resolved by the political parties which were not only not envisaged by the Founding Fathers, but were in fact abhorred by some of them. The power aggregation function of the political parties are so essential that their gradual decline since the Second World War has exacerbated the problem of governability and political leadership in the U.S. (Burns, 1984; Lowi, 1986; Wattenberg, 1984). In the American cities, where power fragmentation is serious, the problem of "ungovernability" is lamented as irresolvable (Yates, 1978).

Nevertheless, reliance on large-scale, disciplined, and powerful parties as a solution to the power aggregation problem in Hong Kong is not realistic. The constitutional setup and the socio-political context do leave room for the emergence of political groups which look like "cadre parties," that is, small organizations of political activists but without a dependable mass base. I have mentioned six factors which would impede the formation of powerful parties in Hong Kong in an earlier paper (Lau and Kuan, 1986: 228-232). Briefly, and with some minor modifications, they are: (1) the power that is made available for competition among political groups by the Basic Law is so limited and fragmented that it would be a Gargantuan task for any group to consolidate political power. It would be a Sisyphean undertaking to aggregate, horizontally and vertically, the divergent interests of a large number of political bodies and functional groups. (2) The political apathy of the masses, and the hostility of the strategic elites and China to mass and agitational politics operate jointly to "compress" the space of action available to aspiring politicians. (3) The political weakness of the future legislature, the diversity of representative modes there, and its institutional separation from the executive will mean that the bureaucracy, already deeply entrenched in the existing political system, will continue to be the main source of public policies and resources. Legislators probably will have to depend on the goodwill of the civil servants in order to satisfy the demands of their constituents, thus detracting from their reliance on the political groups they belong to. Comparative evidence elsewhere (such as

Japan, Germany, France and other former colonies) shows that the prior existence of a powerful bureaucracy impedes the formation of powerful parties. (4) With stability and prosperity recognized as supreme virtues by all, there is simply no burning ideological issue to galvanize support to form a basis for organization. (5) It is difficult to erase the semi-dependent image of political leaders in Hong Kong, which tends to lower their status in the eyes of the people. This semi-dependency is grounded in two structural features of the future political system. The first is the constitutionally inferior status of Hong Kong as a Special Administrative Region with the important implication that all political leaders and groups are ultimately vulnerable to punitive sanction by the central government. The second is the limited role played by popular election in determining political power. (6) The limited role of the future government in social and economic affairs, and the still admirable performance of the economy, serve to dampen interest in a potentially risky political career among those qualified for it. Particularly when the political arena will continue to be small and the demand for professional politicians is limited, it will be more difficult to build up a successful career in the political sector than a similar venture elsewhere.

Based on the experience elsewhere, we can add other items to the list of unfavorable factors: (7) The pervasive use and availability of public opinion polls as an expression of public opinion will undermine the status of parties as the vehicle for the expression of public opinion (Lowi, 1986: 62). (8) The highly developed mass media system in Hong Kong means that political leaders can make independent appeals to the masses and his dependence on political parties in this respect is thus reduced. (9) There will be extremely limited financial support to the democratic activists by the business community (Shils, 1975: 437). (10) There will be limited public resources and public office available for political patronage to attract both cadres and followers. (11) Despite the difference between the democratic activists and the "conservatives," there is a comprehensive consensus between them. Hence it is difficult for the democratic activists to articulate an alternative, at least equally attractive and practical, policy program so as to establish its own unique identity. This difficulty is coupled with their inability to differentiate criticism of the status quo into detailed analysis and recommendations. As a result, the democratic activists find it difficult to distinguish their outlook from that of the "conservatives" in the eyes of unsophisticated masses, who are probably not very much interested in matters of principle in any case. (12) Despite the multitude of socio-economic organizations in Hong Kong, they are in general not strong and disciplined enough for them to form the basis for party

building.¹⁴ The fragmentation of labor, the middle classes and the business sectors¹⁵ is unquestionable. The autonomy of society and economy guaranteed by the Basic Law further inhibits rapid and extensive politicization of these groups. (13) The autonomy of the functional groups and their incorporation into the political system make them less dependent on political parties as the means to advance their interests.¹⁶ Of course the list of unfavorable factors can be further expanded. But I prefer to stop here for I believe that our point has already been sufficiently established.

¹⁴The presence of strong social groups is not necessarily conducive to the emergence of strong parties. The political parties in Italy (Barnes, 1977) and France (Converse and Pierce, 1986) are weakened by the fact that people identify primarily with these groups which are the component parts of these parties than with the parties themselves.

¹⁵The weakness of labor unions in Hong Kong, the pro-business governmental policies, and the diversity of interests in the business sector impede the formation of powerful and united business groups. Thus, there is no single peak association of business in Hong Kong. A similar case can be found in Britain, though the political clout of labor there is much stronger. "British business did not have to defend itself against the liberal state and so was able to retain its decentralized character. What bourgeois interests demanded and obtained was a state committed to defending the freedom of the market, but not any sectional interest within it." (Sacks, 1980: 363) "British industry, until 1965, was represented by competing peak organizations - the Federation of British Industries (FBI), the National Union of Manufacturers, and the British Employers Confederation - each with overlapping membership, and none with the authority to speak for all sectors of industry. Even if these groups had wanted to become involved in forming business policy, their capacity to do so was limited." (Sacks, 1980: 364)

¹⁶Cf. Latin America. "In the Latin American systems either economic and social groups act independently of government as private governments, or the government dominates these forces by making them protective associations, leaving the political party little function in the transaction." (Scott, 1966: 361)

In lieu of powerful political parties, the most likely extra-constitutional mechanism to appear as a power aggregator, consensus builder and constructor of collective authority is a loose alliance among elites from the different parts of the political and socio-economic systems. (Other mechanisms such as a reinforced consultation system and strengthened public opinion collection processes are also likely to be employed.) As the future political system is loaded in favor of the established interests, they will be part of the core of this loose alliance. Other interests will very likely be incorporated or co-opted on a selective basis in order to consolidate and strengthen the alliance. For want of a better term, I would call this alliance the governing coalition. Another part of the core is made up of China and the expanding pro-China forces and forces which prefer to adopt an accommodative stance toward China. This governing coalition is basically a "pact" among the strategic elites in Hong Kong, though it also enjoys some form of mass support. The size of the governing coalition is determined by two criteria: it must not be too large to make it too heterogeneous for effective deal-making and consensus building but it also must not be too small as to leave significant forces outside of the coalition and thus threatening it from without.

Needless to say, it does not mean that there would not be other political groups besides the governing coalition. The future political system in effect provides opportunities for groups with relatively "radical" ideologies to exist. But I do not expect these groups to play a dominant political role. The relation of these reformist groups and the governing coalition is not fixed. Given the heterogeneity of these groups and their different attitudes toward the status quo and China, there is always the possibility that the more moderate and pragmatic among them and their leaders will be "incorporated" into the governing coalition to become a junior partner in it and be "de-radicalized" in the process.

There are already signs that the governing coalition is in the early formative stage. Three groups of forces are involved in its formation. There is a natural tendency for the established interests to join forces in order to safeguard their interests, to resist the encroachment of the reformist groups and to a certain extent to restrain possible excesses from China. The colonial government has also a role, though a declining one, to play because as the incumbent government it has the power to confer status and authority to the leaders it prefers. Furthermore, as the governing coalition has to be in place well before 1997, as the colonial government still enjoys a higher level of trust among the Hong Kong people, and as future leaders can be better groomed

when they are placed in positions in or affiliated with an incumbent government, the established interests and even China have to depend very much on it as a vehicle to form the future political leadership. China can of course groom her own batch of political leaders through appointment or election of Hong Kong people to political bodies in China or created by China in Hong Kong. But these channels are of limited use in developing leadership with actual experience in the governing of Hong Kong. Besides, there is always the danger that the leaders groomed solely through the Chinese channel will be tagged as "pro-China" and thus mistrusted by a considerable proportion of Hong Kong people who are suspicious of Chinese intentions.

In the long run, it is unmistakable that China will play a critical role in the formation of the governing coalition. This is because of a number of reasons: (1) As the ultimate source of authority in Hong Kong, China's political and economic influence in Hong Kong is enormous and is growing very fast. It is natural for the political leaders in Hong Kong and those aspiring for leadership positions to be attracted to the China side. (2) The pro-China forces have been the only organized political force besides the colonial government for a very long time. Any governing coalition that excludes the pro-China forces is not likely to survive, not to say operate effectively. (3) In view of the mutual suspicion among the established elites in Hong Kong (partly caused by their own lack of political confidence and the paucity of political cooperation among them in the past), China can act as a guarantor to facilitate the collaboration between these elites who might otherwise not come together. (4) China can function to overcome the public goods dilemma¹⁷ by providing specific reward for those who participate actively in the governing coalition. (5) The support and encouragement of China are needed to ameliorate the political diffidence and sense of powerlessness of the bourgeoisie and the upper middle class. (6) China can provide the established elites with the mass support (embodied in the mass organizations {including trade unions}) which they need in order to compete effectively in the limited popular electoral game. (7) China

¹⁷"Public goods" are goods the enjoyment of which, once produced, can be freely obtained and thus cannot be denied to those who have not participated in or paid the cost of their production. If everyone is rational, no one will involve himself in the production of public goods but will choose to let others do it and share in its enjoyment afterwards. If this is so, and if the public goods dilemma is not removed, no public goods whatsoever will be produced. See for example Olson (1965).

is needed to give the established elites the necessary authenticity and status as a bona fide political force in Hong Kong. This will eventually facilitate their acceptance by the instrumentally-oriented Hong Kong people. (8) By participating in the governing coalition, China would in effect provide the established elites with the opportunity to influence the policy and actions of China with respect to Hong Kong. This will enable them to claim credit for obtaining "concessions" from China and enhance their political status in the territory.(9) By providing a non-electoral channel for acquiring political power and office, China can thus encourage those elites who are reluctant to play the electoral game to come forward. The supply of political leaders in the future political system of Hong Kong will thus be enlarged. (10) Through the Basic Law, China can provide the constitutional vehicle (such as the electoral college) which will be of much importance to the organization and consolidation of the governing coalition.

Despite differences in interests and attitudes, there is a decent level of consensus and common interests (thwarting "radicalism," preservation of the "original" capitalist order, ensuring smooth transition, preventing mass mobilization and minimizing the negative effects of power fragmentation through consolidation of collective authority) among the established elites, China and the pro-China forces, and even the Hong Kong Government for them to come together and promote the formation of a governing coalition.

A governing coalition, furthermore, needs to provide rewards to its members and to impose penalties on those who betray it, and it must be given some form of organization, however loose it may be. The major kinds of resources available to form the governing coalition are: (1) appointments to the various executive, para-executive and advisory positions by the Chief Executive, who would be a prominent member of the governing coalition; (2) the economic and political rewards that can be given out by China; (3) political influence and economic benefits that can be obtained by participating in or associating with the members of the governing coalition; (4) symbolic rewards such as the psychological satisfaction coming from participation in "patriotic" and meaningful activities; (5) support provided by the governing coalition as a "group" to individual members in their political activities; and (6) the sheer psychological rewards of associating with a power bloc.

Despite these resources, the governing coalition will not become a solidary political group and its political dominance should not be exaggerated, and this will also limit the actual functions it can perform. Because of the

contradictions in the future political system and the conflict of interests among the constituent parts of the governing coalition, the alliance among the elites and organizations is basically an alliance of convenience. If the threat of the reformists and "radicals" is weak, the alliance will correspondingly become looser. In such an event, the power of the bureaucracy will correspondingly expand. In any case, there are several sources of strains in the governing coalition:

(1) The resource base of the governing coalition is limited by the restricted economic role of the future government and the limited availability of civil service jobs and public resources for patronage purposes.

(2) There is always potential conflicts between the bourgeoisie and China as a Socialist nation. The bourgeoisie are wary of any possible shift in China's attitudes towards capitalism and themselves, while China on the other hand cannot be the guardian of bourgeois interests too manifestly.

(3) The interests and organization of the bourgeoisie and the middle classes in Hong Kong are simply too fragmented and heterogeneous for them to develop into a united political group. In view of the general weakness of functional groups as disciplined action groups in Hong Kong, many of their "representatives" can in fact act primarily as individuals without being tightly constrained by organizational discipline. This would inject a certain measure of unpredictability in the behavior of these participants in the governing coalition.

(4) There is no powerful ideological doctrine or a clear political platform which can override the disparate individual interests of the members of the governing coalition and forge unity of action and purpose among them. On the contrary, ideological issues have to be played down as far as possible in a collection of disparate and conflict-ridden interests in order not to alienate part of them.

(5) Though China is important as an integrative factor in the governing coalition, its dominance in the political system should not be exaggerated. The pervasive anti-Communist atmosphere in Hong Kong inhibits China's efforts at courting elite and mass support. Functional groups are difficult to manipulate as they have already been given their cherished autonomy and privileges, and as there will be a substantial proportion of foreigners and foreign passport holders in some of the functional groups who are less amenable to influence by China. The mass organizations (including trade unions) under the influence of China can only expect to reach a small proportion of the potential constituencies,

though they are far stronger than those that can be deployed by other political groups. Because of the presence of competition and the existence of a largely unmobilized and possibly unmobilizable populace, even the mass organizations under Chinese influence will be compelled to adopt a political position that will not alienate mass support and give their opponents the chance to expand their influence. In addition, there are also conflict of interests (Chinese capital vs. local capital, old leftists vs. the new pro-China elements, Mainlanders vs. locals, leaders in elitist organizations and their counterparts in mass organizations, official representatives vs. civilian leaders, and the forces backed up by different political factions in the Chinese ruling stratum, to cite just some examples) in the pro-China camp, thus weakening the integrative role that China can realistically play.

(6) The governing coalition is an alliance of expediency, and the major concerns among the participants are utilitarianism and pragmatism. Accordingly, charismatic leaders, who rely very much on ideals and visions as the basis of their popular appeals, cannot emerge from such a "rational" foundation. The absence of this kind of leaders in the governing coalition will also diminish the ability of the governing coalition to appeal to the masses. In fact, the primary purpose of the governing coalition is to facilitate the "demobilization" of the masses.

Therefore, as a result of the structure and composition of the governing coalition, the realistic functions it can perform are also restricted:

(1) It will produce a certain measure of coherence in the operation of the future political system by providing a political forum for the diverse (largely elitist) interests of Hong Kong from both the polity and the socio-economic system to minimize their differences and undertake concerted actions. In such a manner it will perform some of the power aggregation functions.

(2) In comparison with a political party in an ideal-typical sense, the governing coalition will be a politically reactive and preemptive mechanism. That is, it will intensify its activities and strengthen its organization if there is perceived threat from "radicals," reformists and anti-China elements. (It might even be possible that it will assume the organizational mantle of a political party.) In other words, it will not operate as an activist group on a continuous basis or with great intensity. Hence, its threat to the autonomy of the Chief Executive will somewhat be lessened.

(3) It will also be an electoral organization to be activated periodically. It is very likely that the Chief Executive will come from the governing coalition, so will a substantial proportion of the legislators and members of the district organizations.

(4) It will serve as a co-optive device which works to incorporate the newly-emergent and politically significant interests into the ruling stratum.

(5) It will be a channel for the recruitment and training of future political leaders.

(6) Despite serious limitations, it nevertheless will provide some measure of legitimacy to the future government of Hong Kong.

Unlike a political party in the ideal-typical sense, the governing coalition is not an autonomous political organization with professional politicians forming its leadership. Hence it is not likely to contribute to the "autonomization" of the future political system in Hong Kong. In other words, there will be no independent political sector in Hong Kong aside from the bureaucracy where political power can be obtained and a political career built basically through political channels. Instead, political influence is to be procured through the prior acquisition of social-economic influences. As such the governing coalition might be detrimental to the formation of an independent political sector in Hong Kong which can in turn function to enhance the autonomy of the political system by making it more capable of standing on its own principles and mode of operation against the onslaughts of social-economic forces. In other nations, political parties contribute to the differentiation of the political system from the social and economic systems. In Hong Kong, this crucial function will most likely be jointly performed by the Chief Executive, the bureaucracy, inadvertently by the governing coalition if there is a "sufficient" amount of dissension within it (here of course there is a certain degree of conflict between the autonomy-enhancing role of the governing coalition and its power aggregation function), and China (whether by default or by design).

The New Political Order of Hong Kong

The nature of the new political order of Hong Kong will largely be determined by the interplay of the constitutional institutions and the extra-

constitutional mechanisms that will very likely appear in reaction to its inadequacy in generating aggregating power, building consensus and consolidating collective authority. The formal political system brought about by the Basic Law is an executive-centered system with a seemingly omnipotent Chief Executive at its core, but there is also a certain level of institutional uncertainties springing from the limited functions of the polity, socio-economic autonomy and power dispersal (inaugurated by the departing colonial regime but carried further by the Basic Law). These institutional uncertainties pose a problem to smooth and effective government in the future. Institutional solutions to the difficulties imbedded in the future system offer only partial remedy. Extra-constitutional mechanisms, the most important of which is the emergent governing coalition, can similarly only provide partial solutions, in view of the latter's limited resource base, loose organization and internal contradictions. Consequently, there will be an element of fluidity and unpredictability in the new political order of Hong Kong.

To speculate upon the actual processes of operation of the new political order is hazardous, and social science is not known for its predictive accuracy anyway. Nevertheless, based on my previous analysis of the changing political system of Hong Kong, I can still offer in broad strokes some of the salient features of the new political order, though not without tremendous trepidation.

First of all, despite the limitations of both constitutional and extra-constitutional mechanisms as power aggregators, there are several factors in Hong Kong which might function to reduce the magnitude of conflict among the various power fragments. The fear of Chinese interference on the part of the Hong Kong people, elite and masses alike, should foster a greater degree of willingness to compromise among themselves. Thus, to a certain extent, the negative function of China as a deterrent factor will continue to have some relevance in the future. Another factor lies in the existence of a comprehensive "consensus" among various sectors in Hong Kong as to the basic conditions for Hong Kong to survive and prosper, the basic policies that should be adopted, and those policies and actions that would jeopardize the viability of the territory. Many of these basic policies are enshrined in the Basic Law, making them fixtures in the new political order which are thus "depoliticized." As a matter of fact, the distance between the "radicals" and the "conservatives" in Hong Kong is much shorter than that in other countries.

Secondly, the operation of the future political system depends very

much on the political skills (particularly the skills of consensus building and compromise making) of the political leaders and higher civil servants. Therefore, the personal factor is built into the future system.

Thirdly, the existence of a direct election component in the future political system confronts the governing coalition with a dilemma - whether to contest the direct elections to the legislature and other "representative" bodies or not. In terms of control of the future government, there is no urgent need to participate as direct election only returns a small proportion of the legislators. Nevertheless, the governing coalition cannot countenance a situation where most of the directly elected seats in the "representative" bodies on the "three levels" fall into the hands of its competitors who will then pretentiously claim a higher degree of legitimacy for their "representative" status. However, the governing coalition has only limited unity, resources and organizational linkage with the masses to enter the direct electoral fray on a large scale. Unlike nations elsewhere with influential conservative parties (such as in Japan, South Korea, Ivory Coast, Kenya, Mexico and India), there is no sizable rural sector in Hong Kong, with its conservative landholders and deferential rural masses, to render strong support to the governing coalition. There are however two ways whereby the governing coalition can make itself more competitive in direct elections. The first lies in the adoption of governmental welfarism and paternalism, in both words and deeds, to appeal to the masses. But the future government might be too hamstrung by the Basic Law to do that. Besides, the governing coalition might even be reluctant to pass out "free lunches" by themselves. The other way would require the governing coalition and its members to come up with "private" resources and distribute them to the masses on a group or individual basis, even though they might be very reluctant to do so. The extent to which these two ways will be adopted will however depend very much on the type and degree of challenge which the reformists and the democratic activities can pose to the governing coalition. Still, a certain level of "private" welfare and services seem unavoidable. In fact, the existence of the governing coalition will make it easier for the established elites to deliver welfare and services to the masses on a more systematic basis and on a larger scale by providing for a more "equitable" allocation of "burden" among them and by "pressuring" the more reluctant of them to follow suit. Because of this, one may be justified to say that the future political system might be beneficial to the masses in a certain sense.

Fourthly, if the internal conflict within the governing coalition reaches a certain level of intensity, some of the conflicting groups might try to enlist

outside support in order to strengthen its bargaining position. In this manner the more moderate of the reformists and democratic activists might be co-opted into the governing coalition as a junior partner. Even without such intense conflict within the governing coalition, China might find it useful to incorporate some "democratic" elements into the governing coalition. This will be done not only to give a veneer of "democracy" to the future political system, it will also be useful to balance the strong influence of the bourgeoisie with some of their competitors. Widening the "representative" base of the governing coalition, as touched upon before, will also enhance the autonomy of the political system vis-a-vis the bourgeoisie, thus making the future government more effective in presiding over the capitalist society. If this is true, the formation of extra-constitutional mechanisms will widen the opportunities for political participation rendered possible by the formal institutions of the Basic Law.

Fifthly, there will be an element of fluidity in the operation of the future political system as a result of the shifting alliances among members of the governing coalition and between them and outside groups. Accordingly, the process of policy-making will also be affected in that it will be less easy to form stable, coherent and long-term policies. This might have adverse effects on the future development of Hong Kong.¹⁸

Sixthly, the interplay between the constitutional institutions and the extra-constitutional arrangements might produce consequences which in turn affect the operation of the political system. To name just a few of them, the

¹⁸In this connection, the experience of Mexico is informative. "(T)he Mexican state is in reality a precarious association of ruling groups and interests finely balanced between repressive authoritarianism (probably military in nature), and political instability with mass politicization." (Purcell and Purcell, 1980: 194) "The system is held together not by institutions, but by the rigid discipline of the elites in not overstepping the bounds of the bargain. It is therefore less a set of institutionalized structures ... than a complex of well-established, even ritualized, strategies and tactics appropriate to political, bureaucratic, and private interaction throughout the system. More than anything else, the Mexican political system is a set of ways of doing things. The mechanisms for constantly renewing the political bargain necessary to keep diverse elements together account for the unusual mixture of authoritarianism and negotiations observed in Mexican politics." (Purcell and Purcell, 1980: 195)

possible consequences are: (1) reduction of the legitimacy and importance of the formal institutions, (2) making political and administrative accountability more difficult, (3) producing a certain level of politicization of the bureaucracy as the higher civil servants will be part of the governing coalition and are hence susceptible to the influence of their coalition partners, (4) following from (3), a certain degree of abuse of power and unfair administrative practices by the civil service, (5) making mass participation in politics less meaningful than what the formal institutions would lead one to expect, and (6) reducing the autonomy of the Hong Kong Government further in view of the central role of China in the governing coalition. The magnitude of these consequences varies greatly with how wide the basis of representation contained in the governing coalition will be and the strength of the mechanisms enhancing the autonomy of the political system as well as the integrity of the bureaucracy. Needless to say, these consequences exist side by side with the "democratizing" and "welfare expanding" effects of the governing coalition mentioned before.

By way of conclusion, the future political system is a dynamic entity and will undergo changes with changes in the socio-political context of Hong Kong. The major factors that will effect changes in the new political order of Hong Kong are (1) changes in the composition and structure of the elites, (2) expansion of the middle class sector resulting from educational development and the increasing importance of the service sectors, (3) expansion of governmental activities and the role of government in society and the economy, leading to a higher level of politicization, (4) realignment of political forces in the governing coalition as a result of social and economic changes,¹⁹ (5) increase in power of the democratic and reformist elements, which appears to be inevitable. The overall direction of development of the political system in the future should be toward more openness and more participation, unless serious unforeseen circumstances intervene.

¹⁹For example, as the high technology sectors become more important to the economic development of Hong Kong, the phenomenon of "internationalization" of capital will become more salient. This will aggravate the conflict of interests between domestic and foreign capital within the governing coalition.

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