
THE DECLINE OF THE DEMOCRATIC PARTY IN HONG KONG

The Second Legislative Election in the HKSAR

Ma Ngok

In September 2000, the Hong Kong Special Administrative Region (HKSAR) held its second election for the Legislative Council (Legco). As the results came in, the relative decline that pro-democracy forces experienced was the most striking outcome. The Democratic Party (DP), led by prominent politician Martin Lee, suffered a particularly noticeable loss. The DP received 462,423 votes, 170,000 fewer than it had earned in 1998 or an 8% drop in its overall share. The election also showed that forces that support the People's Republic of China (PRC) have solid organizational support and strong mobilization potential. The pro-China flagship party, the Democratic Alliance for the Betterment of Hong Kong (DAB), increased its overall share of the vote by 4.5% despite a major scandal involving the party's vice-chairman Gary Cheng. The difference in the share of the vote received by the DP and the DAB shrank drastically from 18% in 1998 to 5% in 2000.

The results of the 2000 election are symbolic of the situation facing Hong Kong's democracy movement. It is becoming increasingly fragmented and powerless. The election also demonstrated that the pro-PRC DAB is emerging as a major force on the Hong Kong political scene. This emergence in turn may make China more willing to agree to a further, gradual democratization of Hong Kong. This article delineates the changes that have taken place since 1997 that have led to the DP's decline. It outlines the social and politi-

Ma Ngok is Assistant Professor in the Division of Social Science, Hong Kong University of Science and Technology, Clear Water Bay, Hong Kong.

Asian Survey, 41:4, pp. 564–583. ISSN: 0004–4687

© 2001 by The Regents of the University of California. All rights reserved.

Send Requests for Permission to Reprint to: Rights and Permissions, University of California Press, Journals Division, 2000 Center St., Ste. 303, Berkeley, CA 94704–1223.

cal developments that have weakened the party's influence and popularity, as well as the factionalism within the party that has sapped its energy and tarnished its image. In addition, this article will also show how pro-PRC forces in the SAR have used their much richer resources and extensive community networks to catch up in the electoral arena.

I begin this article with a brief analysis of the results of Hong Kong's 2000 Legco election. The article next analyzes the intraparty and environmental changes that led to the fall in the DP's popularity. This analysis is based on interviews with a number of DP leaders and candidates. In addition, I also sent out research assistants during the 1995, 1998, and 2000 Legco election campaign periods to visit the offices of major parties and candidates to observe the campaign process. The research team also monitored all broadcast election forums and interviewed candidates or their campaign managers or both. Following this analysis, I conclude by assessing the rise of the DAB and its possible impact on how the HKSAR will develop politically in the future.

The Results of the 2000 Election: A Closer Look

According to the HKSAR Basic Law, the HKSAR Legco has 60 members. Thirty of these seats are elected by functional constituencies (FCs), six are chosen by an Election Committee (EC), and 24 are returned through a direct election based on universal suffrage.

The FCs largely represent major business and professional groups, which vote mostly on a corporate basis. Usually, only companies and organizations can vote, which guarantees that interests of the employers rather than those of the employees will prevail. Of the 30 functional constituency seats, only 10 adopt individual voting. The 800-person EC is weighted heavily in favor of business, professional, and pro-PRC groups. Two hundred members of the EC come from the business sector, 200 from professional groups, 200 from various social sectors, and 200 from representatives of various political institutions. The pro-China forces can count on the support from the business sector, Hong Kong's delegates to the National People's Congress and the National Political Consultative Committee, and representatives of rural groups and labor unions. Combined, these individuals can account for at least half of the body's seats.

As the business sector in Hong Kong generally adopts a conservative attitude toward democratization, pro-democracy candidates usually could not lay their fingers on the FC and EC seats. The exceptions have been those constituencies for professionals that are voted on a one-person-one-vote basis. The legal sector (elected by lawyers) and the education sector (elected by school teachers) in particular have long been the stronghold of the democrats. In the

30 functional seats in the 2000 election, the democrats won one seat each from five of the sectors: legal, education, social welfare, information technology, and health services. Otherwise, the design of the post-1997 political system has ensured that conservatives sympathetic to China and business interests will dominate the HKSAR Legco.

On the other hand, the popular election part of Legco elections has been indicative of the citizens' political sentiments. Pro-democracy candidates have been enjoying great success since 1991 in the limited direct election. Eighteen seats were determined by this election that year. Three major pro-democracy groups in the 1980s merged in 1990 to form the first party of that bent, the United Democrats of Hong Kong (UDHK). The UDHK won 12 of the 18 directly elected seats in the 1991 election, a contest in which other pro-democracy groups and independents took four seats. In 1994, the UDHK merged with another group, Meeting Point, to form the DP, which has since been the standard bearer for Hong Kong's pro-democracy forces. The DP won 12 of the 20 directly elected seats in the 1995 Legco elections (other democrats took another four seats). In contrast, the DAB, Hong Kong's largest pro-China party, fielded seven candidates but won only two seats (other conservatives took only one seat).

In view of the democrats' success, the SAR government changed the electoral system in 1997 from its single-member, first-past-the-post format to one based on proportional representation (PR). Instituting the PR system assured the less popular pro-China camp of winning at least some of the Legco seats contested in the direct election. In the 1998 contest, the DAB won about 25% (373,428) of the 1,478,857 total votes and consequently earned five of the 20 directly elected seats. The DP won 634,635 votes (42.9%) and nine seats and was still considered to be the election's big winner. All told, the pro-democracy camp won 64% of the vote and captured 14 of the 20 directly elected seats, while the other conservative and pro-China forces achieved a measly 5.2%, insufficient to gain even one seat.¹

In 2000, the number of directly elected seats was increased to 24. However, in the subsequent election the DP managed to win only nine seats once again. The party's vote total fell to 462,423, representing 35% of the total or about an 8% drop from 1998.² In the Kowloon East constituency, veteran DP leader and party whip Szeto Wah got fewer votes than the DAB's candidate, labor union leader Chan Yuen-han. Although both parties shared the four seats in the constituency as expected, that the DAB's candidate had beaten out a senior DP leader in raw numbers was seen as a symbolic defeat for the

1. See HKSAR, Government Information Centre (GIC), "Legco Election Overall Result," May 25, 1998, <<http://www.info.gov.hk/gia/general/199805/25/0525201.htm>>.

2. HKSAR, Electoral Affairs Commission, "2000 Legislative Council Elections" [November 2000], <<http://www.info.gov.hk/eac/english/2000/index.htm>>.

DP. Another DP leader, Lee Wing-tat, lost his seat in the New Territories West constituency. Although the DP still won the most seats and votes in direct election, Party Chairman Martin Lee admitted to having made a “mistake,” attributing the loss of votes to lack of party solidarity and insufficient constituency services and policy research in the post-election press conference.³

In contrast, the DAB increased its share of the vote by 4.5%, substantially closing its gap with the DP in terms of both total votes and the share of the overall results. The DAB's 391,718 votes—enough to win seven seats—were only about 70,000 less than the DP's total. This result stood in contrast to the 260,000 vote difference of 1998. It closed the gap in total vote shares from 18% to about 5%. The pro-democracy camp as a whole received 761,317 votes (57.7%), about 190,000 votes—enough for 15 seats altogether, versus the eight for conservatives and one for an independent—and 7% short of their 1998 showing. Given that these shortfalls are almost equal to those experienced by the DP, it is fair to say that the party was the biggest loser in the 2000 campaign.⁴

The Changing Political Climate

Why did the DP suffer such a big loss in popularity in a matter of only two years? There were numerous reasons, the most important of which, I argue, is the change in political climate after the change of sovereignty in 1997. The waning of the China factor, general disillusionment with the political situation, and the post-1997 economic downturn all served to weaken support for the DP.

The Fading of the China Factor

The most significant political change in Hong Kong after 1997 was the decline in the significance of the China factor in local politics. As a concept whose effects span matters of history, socialization, and Hong Kong's official authority structure, the China factor was the focal point of political sentiments in Hong Kong throughout the transition period.⁵ Historically, most of Hong Kong's older generation fled Chinese communism to come to the col-

3. “Martin Lee Admits ‘Mistake’, Promised to Visit Constituencies More Often” (in Chinese), *Ming pao*, September 12, 2000, p. 1.

4. The analysis in this article is based on the votes and seats obtained by parties on September 10, 2000. Weeks after the election, the DAB's vice-chairman Gary Cheng resigned his seat and the seat was picked up by pro-democracy independent Audrey Eu in the December by-election.

5. For example, see Leung Sai-wing, “The ‘China Factor’ in the 1991 Legislative Council Election: The June 4th Incident and the Anti-Communist China Syndrome” in *Hong Kong Tried Democracy: The 1991 Elections in Hong Kong*, eds. Lau Siu-kai and Louie Kin-sheun (Hong Kong: Hong Kong Institute of Asia-Pacific Studies, 1993), pp. 187–235.

ony. They in turn socialized the younger generation about the horrors of communism. The younger generation generally had a better education and was more sympathetic to such values as democracy, freedom, and human rights. They also had a stronger Hong Kong identity and wanted to preserve the colony's free and affluent lifestyle. Structurally, the Sino-British Joint Declaration of 1984 under which Hong Kong's sovereignty was to be transferred to China by 1997 imposed a dual authority framework on the colony. That this meant Hong Kong's future master, the PRC, would be closely watching the transition process from 1984 to 1997, created great uncertainty and grave concerns among many in the colony. Thus, the fear that China might intervene in Hong Kong's affairs and negatively affect the freedom and lifestyle experienced there hung over the heads of many since 1984.

The democracy movement that arose in the 1980s became a confluence of the anti-communist, Hong Kong-focused, pro-democracy currents. With a return to China imminent, the democrats' claim that a democratic system would create the best fortress to guard against intervention from the communist mainland became their most appealing battle cry. The Tiananmen movement and crackdown in 1989 raised these sentiments to a peak. More than one million people took to the streets of Hong Kong that spring to support democracy in China. Supporting democracy, anti-communism, and protecting Hong Kong's freedom and autonomy suddenly were seen as different aspects of the same battle and most Hong Kong people championed the cause (or so it seemed). Throughout the 1990s, the colony's pro-democracy forces portrayed themselves as being the moral mirror image of the PRC's government and all that the Tiananmen crackdown represented. With the demonstrations of 1989 still fresh in their minds, Hong Kong's voters gave the democrats a resounding victory in the 1991 election.

In the 1995 campaign, the China factor took on new meanings. It was no longer the purely negative element it had been in 1991. The Sino-British dispute over Governor Chris Patten's reform proposals of 1992–94 polarized the local political scene. The pro-China camp couched the debate in such nationalistic terms that the Hong Kong public seemed to have only two choices: to be pro-democracy and by default anti-China, or to be pro-China and by default anti-democracy. The militancy of the position taken by the Chinese government during the Sino-British dispute made it seem unwise for Hong Kong to be too confrontational in its own dealings with China. Pro-China politicians emphasized the practical need to cooperate or at least communicate with the Chinese government, and accused the democrats of instigating a row with the Chinese government. The DP's response was to return to its moral image. The party's leaders claimed that only the democrats would stand firm against China for Hong Kong's interests and dare to say

“no” to the Chinese government. As a result, the DP won a hard-fought electoral victory against the pro-China forces in 1995.

After 1997, however, the China factor began to fade in the local political scene. Beijing did not engage in high-handed oppression of Hong Kong or intervene in its affairs in a forcible way. As most of the Hong Kong citizens did not feel that communists were breathing down their necks, the pro-autonomy and anti-communist themes played up by the DP became less relevant. In the 1998 election, the DP took the moral high ground again in its campaign. Because of the row over the 1995 electoral arrangements, China refused to recognize the Legco elected under Patten's formula in 1995. The Legco elected in 1995, which should have had a four-year term, was disbanded by China after the sovereignty handover, and a Provisional Legco (PL) was set up in its place. In operation from July 1997 to April 1998, most pro-democracy legislators boycotted the PL, and pro-PRC politicians dominated it as a consequence. In the 1998 election, DP claimed that China's replacement of the elected Legco with the Provisional Legco in 1997 was unjust and urged voters to vote for the democrats so that Hong Kong could “return to the Legco,” as the campaign slogans had it. They asserted that the Provisional Legco had performed poorly because it had no popularly elected elements, hence the voters should vote for the democrats in order to better supervise the government. Candidates from the DP and other pro-democracy elements won 64% of the votes in the 1998 Legco election, slightly more than the 61.5% they achieved in 1995.

However, after 1997, the uncertainty over what China *might* do is largely gone. Most Hong Kong people understand that China does not want full-fledged democracy in Hong Kong, but it is also unlikely that there will be a crackdown on local activists. Hong Kong is not democratic, but the political freedom there has not been drastically impaired. The DP's old slogans have somehow lost their appeal as a result, and party insiders have admitted to a loss of direction and purpose after 1998. Different factions within the DP have debated the future direction of the democracy movement and this has culminated in intense rivalries. In the 2000 campaign, the DP thought of repackaging itself as a “green” party by campaigning on environmental issues and over antitrust legislation. However, tempted by Chief Executive Tung Chee-hwa's utter lack of popularity⁶ and the Gary Cheng scandal (to be explored below), the DP almost instinctively went back to focusing on its political agenda and projecting itself in moral terms during the campaign. They branded the DAB as a group of royalists who would always defend the SAR

6. A poll by the Chinese University in June 2000 showed that only 10.6% of respondents were satisfied with the performance of the SAR government, while 53% were dissatisfied. “Government Popularity Slumped to Three-Year Low” (in Chinese), *Apple Daily*, June 28, 2000.

government and claimed during the campaign that a vote for the DAB was tantamount to a vote for Tung Chee-hwa.

However, the results of the 2000 election showed that the DP's political agenda and attempts to appeal to the electorate's sense of moral outrage might have lost its attraction. That China has not forcibly intervened in Hong Kong's affairs may have made it less likely that the electorate would be stirred by a political agenda centering on issues of democracy and autonomy. Many of the SAR's people have become more concerned with livelihood issues. The fading of the China factor leaves the DP in search of a winning formula that could once again make it more appealing to the electorate.

The Weimar Syndrome

In the HKSAR's first Legco election, Hong Kong's voters had high hopes for the new body after the Provisional Legco interregnum. Despite torrential rain on polling day, an unprecedented 1.5 million voters turned up at the polls on May 24, 1998, representing a 53.3% turnout. But to their disappointment, the SAR Legco has proven less influential than its 1995–97 counterpart owing to the constraints of the Basic Law. The Legco's diminished influence brought about general disillusionment with various political institutions, in particular with political parties and the Legco.

In Hong Kong's executive-dominant constitutional structure, the non-elected executive branch— i.e., the chief executive and senior civil servants— holds most of the powers over bill initiation and policy making. Before 1991, the mostly appointed Legco would rubber-stamp government bills. After direct election was introduced in 1991, the government was able to secure majority support for its initiatives in the Legco, as about one-third of the members were still appointed by the governor. The broadening of representation in the Legco elections produced by Chris Patten's political reforms resulted in the democrats gaining control of about half the seats in the 1995–97 Legco. Making full use of the Legco's statutory powers, they managed to put pressure on the government by controlling appropriation, amending government legislations, proposing alternative policies through private members' bills, and refuting government fee hikes by vetoing subsidiary legislations. The Hong Kong government proposed 207 bills or bill amendments in 1995–97 while the Legco members raised 20 private bills, 16 of which were passed.⁷

7. Choi Chi-keung and Tsoi Yiu-cheong, *Xianggang Lifaju Zhongyao Toupiao jilu huibian* (Selected vote counts of the Legislative Council of Hong Kong [1995–1997]) (Hong Kong: Hong Kong Humanities Press, 1998). Private members' bills are bills proposed by Legco members, which will become laws if passed by the Legco and will in effect change government policy.

Two built-in constraints in the Basic Law severely reduced Legco's influence on government policy after 1997. First, the power of the Legco members in proposing private members' bills is curtailed. According to Article 74 of the Basic Law, all private members' bills need the chief executive's written approval to be introduced in the legislature unless the bill is not related to public expenses, public policy, or government structure.⁸ Second, Annex II and Article 67 stipulate that while all government bills need only a simple majority to pass, all amendments, motions, and bills proposed by individual legislators have to be approved simultaneously by more than half of the members of two segments of the legislature. The first of these two groups is composed of the 30 members elected by FCs, while the second is the 30 chosen by the Election Committee and through direct election. The effects of this stipulation are to ensure that the FC members have veto power in the Legco and that the opposition of only 15 legislators is sufficient to veto any non-government proposals.

Thus, it takes the support of an overwhelming majority in the Legco to pass any private motions. However, the post-1997 electoral system has prevented such majorities from being formed. Electorally, both the FCs and the EC are inimical to the development of party politics. With respect to the former, the FCs favor candidates who cater to sectoral interests so narrowly defined that the representatives do not need the resources of a political party. As for the EC system, it encourages pork-barrel and behind-the-scene politics; the main thing is to have the PRC's acceptance.⁹ The result is that one-fourth of the Legco's members do not belong to any parties, which makes it difficult to do the lobbying needed to obtain an overwhelming majority. Moreover, that the directly elected seats are allocated by proportional representation means they are further dispersed among different parties. Table 1 shows the distribution of seats in the first SAR Legco, in session from 1998–2000. The largest party, the DP, held only about 20% of the seats. A simple majority would require consent of at least three major parties. Given the range of parties that obtain seats and their widely different ideologies, however, it is essentially impossible to conceive of anyone being able to achieve a stable majority.

As a result, the different camps of legislators tended to mutually veto one another's bills, motions, and amendments. The Legco thus was unable to formulate alternative policy proposals or reach the political consensus needed to challenge the government. Though an economic recession was underway, the Hong Kong public saw only partisan struggles within a fragmented legis-

8. One, of course, can hardly imagine any bills proposed by a legislator to be un-related to these three things.

9. Kuan Hsin-chi, "Election without Political Clout" in *Power Transfer and Electoral Politics*, ed. Kuan Hsin-chi (Hong Kong: Chinese University Press, 1999), pp. 277–301.

TABLE 1 *Distribution of Seats in the First HKSAR Legislative Council, 1998–2000*

	<i>Functional Constituencies</i>	<i>Directly Elected</i>	<i>Election Committee</i>	<i>Total</i>
DP	4	9	0	13
DAB	3	5	2	10
LP	9	0	1	10
HKPA	2	0	3	5
The Frontier	0	4	0	4
Other groups	1	1	0	2
Independents	11	1	4	16
Total	30	20	10	60

SOURCE: Kuan Hsin-chi, "Election without Political Clout" in *Power Transfer and Electoral Politics*, ed. Kuan Hsin-chi (Hong Kong: Chinese University Press, 1999), p. 295.

NOTE: DP = Democratic Party; DAB = Democratic Alliance for the Betterment of Hong Kong; LP = Liberal Party; HKPA = Hong Kong Progressive Alliance. The Frontier, founded in 1996, is considered to be a pro-democracy party. The LP and the HKPA are regarded as conservative pro-business parties.

lature, much acrimonious mutual criticism, but few deeds to improve the economy. They became disgruntled with the Legco and party politics. Opinion polls taken shortly before the election show that only 23.9% of the respondents were satisfied with the overall performance of the members of the first SAR Legco.¹⁰

The nature of the Hong Kong people's disillusionment is reminiscent to that felt by many Germans toward the interwar Weimar Republic. This "Weimar syndrome"¹¹ may have produced the significant drop in voter turnout seen in the 2000 election, which fell from the 53.3% seen in 1998 to 43.6%. About 8,500 voters (0.6%) cast empty ballots, an unprecedentedly large number. The DAB, by dint of its ability to mobilize its supporters, managed to get most of them to the polls and benefited from the low turnout to achieve a higher share of the vote. Conversely, Martin Lee believed that many of the DP supporters stayed away from the polls because they were too

10. University of Hong Kong, Public Opinion Programme, Journalism and Media Studies Center, *Pop Express*, July 2000.

11. The "Weimar syndrome" was the term used by Staniszkis to describe the political situation in Poland in the early post-communist era. See Jadwiga Staniszkis, *The Dynamics of the Breakthrough in Eastern Europe: The Polish Experience* (Berkeley: University of California Press, 1991), p. 230.

disappointed with Hong Kong's political environment to cast a vote.¹² Indeed, post-election surveys showed that in general those "alienated" voters were less satisfied about democratic development in the SAR, which makes it more likely that they were pro-democracy voters.¹³ The disappointment with political parties also led to an increase in the number of votes going to independents. Twelve independents ran in the 2000 election, as compared to nine in 1998; as a group, they got 50,000 more votes (a 5% increase) than in 1998.¹⁴

The Impact of the Economic Recession

The post-1997 economic recession in Hong Kong, coupled with the absence of the feared intervention from China, turned the voters' attention to livelihood issues. The Asian financial crisis that set in that year brought rising unemployment and impoverishment of the SAR's working class. Many employees saw their pay cut and working hours extended; as many as 600,000 of Hong Kong's 3.4 million-strong workforce were on the job more than 60 hours a week.¹⁵ Unemployment rose from 2.2% in 1997 to 6.3% in 1999.¹⁶ In the first quarter of 2000, the number of people with monthly household incomes below the lowest level listed in government statistics, HK\$ 4,000 (about US\$500), was 174,000 (8.4% of the total population), double the 87,000 figure of 1997.¹⁷

The economic downturn had several effects. First of all, it turned the attention of the working people from political issues to employment and economic ones. This helped weaken the political appeal of the DP. Table 2 shows results of longitudinal surveys conducted by the Hong Kong Transition Project regarding the issues that were of the greatest concern to the SAR's populace. As the table demonstrates, their chief concerns changed after 1997 from such issues as freedom, corruption, and political stability to

12. "DP's Support Drastically Dropped by 7.9%," *Hong Kong Economic Journal (HKEJ)*, September 12, 2000, p. 7.

13. Milan Sun Tung-wen, "Why Voters Did Not Vote in the 2000 Legislative Council Elections?" (paper presented at the Conference on the 2000 Legislative Council Elections, Chinese University of Hong Kong, December 2000). Sun used the term "alienated" to describe respondents who said they voted in 1998 but not in 2000.

14. Author's calculations are based on information from HKSAR, GIC, "Legco Election Overall Result," and HKSAR, Electoral Affairs Commission, "2000 Legislative Council Elections."

15. "Longer and Longer Working Hours for Hong Kong People" (in Chinese), *Sing Tao Daily News*, May 1, 2000.

16. HKSAR, Census and Statistics Department, "Statistics on Labour Force, Unemployment and Underemployment," June 18, 2001, <<http://www.info.gov.hk/censtatd/eng/hkstat/fas/labour/ghs/labour1.htm>>

17. Figures provided to the author by *ibid.*, October 24, 2000.

TABLE 2 *Issues of Greatest Concern among Hong Kong People, 1993–2000* (% of all respondents)

<i>Year</i>	<i>Living Standards</i>	<i>Security/Freedom</i>	<i>Economic Prospects</i>	<i>Political Stability</i>	<i>Corruption</i>
February 1993	11	28	18	27	N/A
February 1994	11	28	19	24	N/A
February 1995	12	25	8	23	N/A
February 1996	14	25	9	22	N/A
February 1997	11	17	9	15	30
April 1998	9	5	46	6	13
April 1999	9	3	47	7	11
April 2000	11	6	40	16	10

SOURCE: Hong Kong Transition Project, *Poll-arization: Election Politics and the Politicizing of Hong Kong* (Hong Kong: Baptist University, September 2000), p. 48. NOTE: The issue of “corruption” was not included in the options of the question before July 1996.

economic matters.¹⁸ Such data indicate that once the voters focused more on bread-and-butter issues, the attraction of the DP political agenda waned.

Second, the major cleavages between Hong Kong's political parties previously have been on political rather than economic lines. My study of the campaign materials and the positions presented at election forums during the 2000 contest found little substantive differences between the social and economic policy platforms among the major parties. With political ideologies less salient and the parties adopting similar socioeconomic platforms, the 2000 campaign boiled down to a competition of mobilization abilities. The DAB clearly had the edge in this respect.

Third, the economic downturn helped the DAB in another aspect. The DAB had extensive local networks that could provide constituent services. These services are usually minor, ranging from maintenance of public housing and improving local sanitary conditions and transportation to the establishment of new community facilities. But in times of economic adversity,

18. Hong Kong Transition Project, *Poll-arization: Election Politics and the Politicizing of Hong Kong* (Hong Kong, Baptist University, September 2000), p. 48. The Transition Project is an academic research project in Hong Kong that regularly conducts polls to tap into public opinion concerning political issues in Hong Kong. Regarding the question presented in Table 2, while the choices from which respondents could select certainly framed their responses somewhat, the survey's results nonetheless suffice to show that there was a drastic change from political to economic concerns.

these services had greater appeal to the lower class than the DP's slogans of democracy and rule of law. They made it possible for the DAB to claim that it was the party that could offer concrete help for the people's lives.

Fourth, the economic recession also meant that the DP's shift to a more middle-class or free-market position became more costly. The party's change in orientation came after 1997 in an attempt to woo middle-class voters. As part of this shift, the DP became more inclined to free-market ideology, a move that may have come back to haunt it. In August 1998, the SAR government spent more than HK\$ 100 billion to intervene in the stock market to fight off international hedge funds. The DP was quite vocal in its opposition to the move on the grounds that it violated free-market principles and the DAB was able to use this incident in the 2000 campaign as a way to criticize the DP. Also, in part because of factional struggles within the party, the DP resolved in 1999 not to put minimum wage legislation into their election platform. The Association for Democracy and People's Livelihood, a pro-lower class, pro-democracy party, was able to use this in 2000 to attack the DP's position on the issue and it campaigned on slogans that argued that a vote for the DP was a vote against the minimum wage. In short, the free-market stance that the DP adopted on such issues likely cost the party some of the working-class vote in the election.

The DP got less support from the unions in the 2000 campaign as a result of this shift. In 1995, the party ran on a joint ticket with the pro-democracy Hong Kong Confederation of Trade Unions (HKCTU). HKCTU member unions supported the DP, and the confederation's chairman Lau Chin-shek was a DP candidate. But the relationship between the two organizations soured after 1998, partly because the DP moved away from a position that had been more oriented toward the working and lower classes. Also, Lau Chin-shek was expelled from the DP as a result of factional struggles. As a result, in the 2000 election few HKCTU member organizations offered help to the party's candidates. Importantly, the DP also lost the support of some civil service unions. While only about 20% of Hong Kong's labor force is unionized, the civil service has the highest unionization ratio and the best mobilization power.¹⁹ Since 1997, the SAR government had been pushing quite radical civil service reforms. Their main thrust was to contract out public services, cut redundant staff, and corporatize government departments. The DP believed that marketization could boost government efficiency and so largely supported the reform, a position that alienated the civil service unions. In the 2000 election, some of the civil service unions endorsed pro-PRC Federation

19. See Stephen Chiu and David Levin, "Contestory Unionism: Trade Unions in the Private Sector" in *The Dynamics of Social Movement in Hong Kong*, ed. Stephen W. K. Chiu and T. L. Lui (Hong Kong: Condor Printing Co., 2000), pp. 91–138.

TABLE 3 *Change of Vote Share of Selected Pro-Labor Candidates*

<i>Camp</i>	<i>Candidate</i>	<i>Affiliation</i>	<i>Vote Share in 1998 %</i>	<i>Vote Share in 2000 %</i>
Pro-democracy	Frederick Fung	ADPL	19.3	35.2
	Lee Cheuk-yan	HKCTU	12.5	15.2
	Leung Yiu-chung	Neighborhood and Workers' Service Center	10.3	17.3
Pro-PRC	Chen Yuen-han	HKFTU	41.8	47.4
	Tam Yiu-chung	HKFTU	19.4	29.6

SOURCE: Author's calculations are based on information from Hong Kong Special Administrative Region, Government Information Center, "Legco Election Overall Results," May 25, 1998, at <<http://www.info.gov.hk/gia/general/199805/25/0525201.htm>>; and HKSAR, Electoral Affairs Commission, "2000 Legislative Council Elections," [November 2000], at <<http://www.info.gov.hk/eac/english/2000/index.htm>>.

NOTES: ADPL = Association for Democracy and People's Livelihood; HKCTU = Hong Kong Confederation of Trade Unions; HKFTU = Hong Kong Federation of Trade Unions.

of Trade Union candidates, who opposed privatization of government services. Others mobilized against DP candidates over matters related to the proposed reforms. For example, Lee Wing-tat was targeted by some civil service unions because of the vocal stand he took supporting privatization of public housing management. The 2000 election results show that unionists and politicians who took a pro-labor position, regardless of political ideology, had improved vote shares (see Table 3). Lee Wing-tat admitted in an interview with the author that the DP lost some of its lower class support, though he thought this only accounted for a small portion of the DP vote loss.²⁰

The Fragmentation of the Democracy Movement and Party Factionalism

The intraparty struggle between the so-called "Young Turk" and "Mainstream" factions was a significant factor behind the DP's decline. The factional conflict was an outgrowth of ideological differences, personal rivalries, and power struggle within the party. In addition to this internal battle, the DP also faced competition from other pro-democracy groups after 1997, produced by the introduction of the PR electoral system. In the following sec-

20. Lee Wing-tat, author interview, Hong Kong, October 10, 2000.

tions, I analyze how the ideological struggles and institutional changes that arose at this time helped to produce factionalism in the DP and the fragmentation of Hong Kong's democracy movement.

Ideological Struggle and Factionalism within the DP

The Legco's powerlessness and the plight of the democracy movement that this produced led to an ideological debate within the DP over what strategy to take in the future. The debate promptly led to factional infighting.²¹ Most of the DP leaders interviewed by the author agreed that there were no major hostilities within the DP before 1997. The threat of possible oppression by China after 1997 forced them to stay together and so party members papered over ideological differences. After the handover, debates surfaced within the DP as to what direction the democracy movement should take. Some party leaders, especially those who had come from Meeting Point, believed that the DP should adopt a more conciliatory attitude toward China and the SAR government to win over the more moderate voters. They were afraid that radical street action and aggressive demands for social welfare and labor benefits would frighten away middle-class supporters. The younger district-level populist leaders, called the Young Turks, thought otherwise. They asserted that since the Legco's power had been circumscribed, following the "parliamentary road" would be futile. They believed that the DP should position itself as an opposition party, with "struggle" (*kangzheng*) as the chief strategy and "dialogue" (*duihua*) reduced to a secondary role. The Young Turks advocated that the DP should rely on mass movements and change to a more pro-labor position.²²

The DP's organization is modeled on Leninist parties. Although most executive and political decisions in practice are decided by the DP's Central Standing Committee and the Legco caucus, according to the party constitution the 30-member Central Committee is the highest decision-making body. In the December 1998 party election, the Young Turks staged a virtual coup d'état by soliciting enough support to get 10 of their candidates elected to the Central Committee. This brought the DP into an era of factionalism. While the party leaders, the so-called Mainstreamers, still controlled most of the executive positions and decision-making power, the factional rivalry led to highly publicized ideological debates on policy issues such as the minimum wage as well as vitriolic exchanges of criticism and personal attacks. The

21. For the positions of different factions and the ideological issues under debate, see Anthony Cheung, Lo Chi-kin, and Andrew Fung, eds., *Huiguihou Minzhudang hequhecong?* (Whither the Democratic Party after the handover?) (Hong Kong: PR Concepts, 2000).

22. See Anthony Cheung, "Lun Minzhudangneide sanda fenqi" (The three major rifts within the DP), *HKEJ*, January 20, 1999. Anthony Cheung was the DP's vice-chairman from 1994 to 1998 and former chairman of the Meeting Point.

Young Turks criticized party leaders of suppressing intraparty dissent, going as far as saying “they are just like the butchers of the Tiananmen massacre.”²³ The factions struggled over candidate nominations during the 2000 campaign and some Young Turks, disappointed at not being chosen, left the DP to run as independents.²⁴

The factional infighting had several effects on the DP. The most important of these was that it tarnished the upstanding moral image on which the party had been relying. Open criticism among the party's factions gave the public the impression that the leaders were powermongers rather than principled politicians. Some Young Turks, having fallen afoul of the leadership, quit the party or refused to help in the 2000 campaign. Yet, the yearlong ideological debate did not produce a fundamental reevaluation of the DP's strategy and direction. Power considerations quickly pushed such concerns aside and the party still had not charted a new course for itself that took into account the post-1997 reality. Furthermore, in reaction to the Young Turks' endeavors, the DP distanced itself from more aggressive pro-labor positions such as the push for a minimum wage. This move severed the party's positive relationship with the labor unions.

Institutional Inducements

The introduction of the PR electoral system heightened electoral competition between pro-democracy groups and also helped foment factionalism within the DP. PR encourages the participation of small parties in an electoral contest because a small share of the vote can win a party representation. In the 1995 campaign, under a first-past-the-post system, the pro-democracy groups managed to coordinate their efforts in most constituencies to avoid vote-splitting. They fielded only one candidate among them in 17 of the 20 constituencies. The switch to PR in 1998, however, encouraged weaker pro-democracy groups to compete directly with the DP. As a result, 16 pro-democracy lists were fielded in the five constituencies in 1998, with some constituencies having as many as seven such lists. Competing for voters in the same political spectrum, pro-democracy candidates sometimes engaged in vicious attacks on one another, creating bad feelings among themselves. The 2000 elections again saw multiple pro-democracy candidate lists competing against one another in some constituencies; of the 16 pro-democracy lists presented in the various constituencies, eight alone came from the DP.

23. Andrew To, “Zhuliupai Mengmu Fandui zuidigongzi” (Mainstreamers' opposition to minimum wage irrational), *Ming Pao Daily News*, September 17, 1999.

24. For a more complete account of the impact of factionalism on the DP, see Ma Ngok, “Factionalism in the Democratic Party and the 2000 Election” (paper presented at the Conference on the 2000 Legislative Council Elections, December 2000, Chinese University of Hong Kong).

The change to PR also contributed to friction *within* the DP. In Hong Kong's PR system, voters could only vote for the whole party list and are not allowed to indicate their preferences among the party candidates. If a party wins one seat by dint of its vote share, the first name on the list will be elected. If the party wins two, the first two will be elected. Under this system, the ranking in the party list thus determines the fortunes of individual candidates. Given that the DP generally earns 30%–40% of the vote, with Hong Kong's district magnitude ranging from three to six, the top-listed DP candidate is virtually guaranteed victory. The second-ranked candidate may have a reasonable chance, but those listed third or lower have next to none.

This system damaged intraparty relations in two ways. Firstly, as PR reduced the number of directly elected seats that the DP could win, incumbents had to compete with each other to get the higher ranking in the party lists that would help secure their seats. Secondly, the system pitted the party's Young Turks against the senior leaders. The former found they had little chance of being nominated as the first- or second-ranked candidate on a party list when competing with the latter, because nomination and ranking are controlled by the Mainstreamer-dominated Central Committee. As a result, the Young Turks had no choice but to challenge party leadership to demand power-sharing, which indirectly fed into the internal factional struggle.

The abolition of the Urban Council (UC) and Regional Council (RC) in 1999 also generated some of the dissatisfaction among the DP's lower echelons. These two financially autonomous elected bodies were responsible for managing cultural and recreational affairs as well as overseeing matters of food and environmental hygiene. Members of both the UC and the RC received salaries that enabled them to be full-time politicians. By 1998, 24 of the UC and RC members were from the DP, representing the cream of the party's next generation of potential leaders. But that year, the SAR government decided to recentralize control of food hygiene monitoring and cultural and recreational affairs and abolished the two councils. The disappearance of this outlet produced some restlessness among local DP leaders, as some now would no longer be able to be full-time politicians while they waited their turn to succeed the party leaders.²⁵ This reality drove the unsettled young aspiring politicians who became the core of the Young Turks to challenge the party center for more political influence.

25. Leung Pui-yan, "The Impact of Scrapping the Municipal Councils on Party Development: The Democratic Party and the Association for Democracy and People's Livelihood (City University of Hong Kong, Department of Public and Social Administration, 2000); and Ma Ngok and Leung Pui-yan, "Party Innovation as Organizational Change: The Impact of the Abolition of the Municipal Councils on the DP and ADPL," *Public Administration and Policy* 10:1 (March 2001), pp. 63–85.

The Rise of the DAB

The DP's decline contrasted with the strengthening of its biggest rival, the pro-PRC DAB. When the DAB was established in 1992, few expected it to be a successful political party. For example, Chairman Jasper Tsang was greeted with boos when he made public speeches. However, with the passage of time, the DAB became an effective machine that consolidated pro-China forces in Hong Kong and provided an ideological counterfoil to the democrats.

In the 1991 election, pro-PRC candidates were loath to declare their political affiliations and many chose to run as independents to keep them unobtrusive. The founding of the DAB in 1992 reflected the determination of pro-PRC circles to compete openly with the democrats in the electoral arena. The DAB became a flagpole around which conservative forces could gather. Conservative community organizations and political forces were also helped in the formation of a pro-PRC, anti-democrat united front by the New China News Agency (Xinhua). Xinhua, whose Hong Kong office then served as the PRC's de facto embassy, has liaised with these groups in most electoral contests since 1991.²⁶ Candidates produced by this united front enjoyed support from Hong Kong's largest trade union federation, the Hong Kong Federation of Trade Unions (HKFTU); pro-PRC businesspeople; PRC-funded newspapers; and conservative community groups.

More importantly, the DAB provided an ideological counterfoil to the democrats. The DAB succeeded in establishing the rationale behind taking a pro-PRC position. The party claimed that because they are ethnically Chinese, Hong Kong's citizens should be patriotic and not be overly critical of the Chinese government. Antagonizing China was also deemed unwise, as maintaining a friendly dialogue with the mainland was seen as being beneficial for Hong Kong. The DAB criticized Hong Kong's pro-democracy elements of adopting a hostile attitude toward China, which would disrupt the colony's stability and prosperity then and after the handover. Such positions were attractive to some of Hong Kong's conservative voters. The DAB also tried to project itself as being home to some of the more liberal pro-PRC politicians, individuals who would compete for power through popular elections in contrast to the ultra-conservatives who opposed direct elections or embraced the FCs. And with the waning of the China factor after 1997, the DAB was in a better position to use its superior manpower and financial resources to build up a vast support network, the mobilization power of which was confirmed by the 2000 campaign.

26. K. S. Liao, *The Dilemma of Hong Kong's Democratization: The Debate between Reunification and Democratization* (Taipei: Wong Sun Publishers, 1996), pp. 164–66.

The 2000 Campaign: Confirmation of Mobilization Potential

The DAB built up its local support networks by drawing the support of conservative local leaders, residential associations, and kinship and hometown associations. With its access to superior resources, the DAB was able to cultivate local clientelist networks and extend services through full-time party cadres and community organizations with remarkable success. The DAB's success was reflected in the results of the District Board and, after a 1998 name change, District Council (DC) elections. District Councils are local consultative bodies with limited executive power for carrying out environmental improvement tasks. Due to the localized nature of these boards (each constituency usually has several thousand voters), the elections' outcomes usually are determined by the local services the candidates have been able to provide and the strength of the support networks they had built. In the 1994 contest, the DAB fielded 83 candidates but only 37 won, a mediocre result. More conservative local leaders started joining the DAB after that year, though, and by 1999 the party had 58 DC members. In the 1999 election, the DAB fielded 176 candidates for DC positions and 83 won. The improvement in the DAB's showings in these contests was a testament to the increased strength of the party's local support networks.

The 2000 campaign confirmed the ability of the pro-PRC forces to mobilize electoral support, especially in the face of a seemingly insurmountable obstacle. On August 23, 18 days before the polls were due to open, the media revealed that DAB Vice-Chairman Gary Cheng sold government secrets to business giants through a consultancy he owned, the possession of which he had not declared to the Legco as stipulated by law. Cheng at first denied the charges, but then admitted to them after more facts were disclosed by the press. The scandal at first was seen as having delivered a fatal blow to the DAB. Some pre-election polls conducted immediately after the scandal showed support for the DAB list in the Hong Kong Island district (where Cheng was running) as having dropped from 31% to as low as 14%.²⁷

But the scandal also created a sense of crisis within the DAB among pro-PRC circles that, with their perception of the election as a battle for survival, spurred them to regroup and step up their efforts to get out the pro-PRC vote. Members of HKFTU, rural organizations, PRC-funded enterprises, and local residential associations all increased their efforts to work their support networks. HKFTU campaigners worked to track down every union member, visiting or calling them once or several times before the election and on election day to remind them to vote. The hometown associations, most notably

27. See reports on the polls in *Ming Pao*, August 25, September 4, September 6, and September 8, 2000.

those of Fujianese origins, mobilized their own networks. One rumor, possibly true, even had it that the effort went as far as asking people in Fujian Province to call their relatives in Hong Kong and ask them to vote for the DAB. As for the predominantly pro-PRC local residential associations, they pitched in with a drive to locate supporters in their localities and urge them to vote, while the rural committees maintained lists of DAB supporters in villages and used them as checklists to make sure that everyone got to the polling stations.

In the end, despite the Cheng scandal the DAB list in Hong Kong Island still attracted 27.8% of the total vote and won two seats in the district. And as noted earlier, the DAB increased its share of the total vote throughout Hong Kong by 4.5%. Furthermore, it may also be noted that the total number of votes the DAB obtained in the 2000 campaign was quite close to what it had attracted in 1998. This suggests that the DAB has secured a solid core of supporters numbering around 400,000. The party's achievements were more striking if one considers that the SAR government had become especially unpopular by September 2000, a potential political liability for the pro-government DAB. Such results suggest that, with four more years to cultivate its network, the DAB could easily overtake the DP to become the most popular party in the next Legco election in 2004.

Whither the Democracy Movement?

As has already been noted, the DP saw its support dwindle after 1997 owing to the disappearance of the uncertainty over the China factor. Again, it was not China's actions that year that were so worrisome, but rather the threat of what it *might* do. This grave uncertainty enhanced the support for the democrats, who were seen as being better able and willing to stand up to possible Chinese oppression or intervention. Such concerns about what China might do and the pace of democratization became less pronounced after the handover. As the Basic Law does call for democratization, albeit at a slow pace, most residents are sure that Hong Kong is not going to backtrack politically though neither will it progress dramatically. The fear of possible oppression from China is largely gone, but so is the thrill represented by democracy. The Legco's ineffectualness also puts people off. In the face of an economic recession, the pragmatic Hong Kong people naturally are paying more attention to their own economic well-being rather than political issues.

As the strongest of the pro-democracy parties, the DP is representative of their overall standing. The party's decline is symbolic of the plight of Hong Kong's democracy movement. It would appear that Hong Kong's protracted democratic transition is having the effect of demobilizing democracy's most active supporters. It is difficult to hold a movement together for 20 years without any foreseeable chances of success or tangible political spoils. The

DP, if not Hong Kong's pro-democracy forces as a whole, is still looking for a new rallying cry other than fear of China with which to mobilize the masses.

The Basic Law stipulates that a constitutional review in 2007 will decide the direction in which the HKSAR's political environment is to go. This review may offer the democracy movement in Hong Kong a chance to restart itself by forming a grand coalition and mobilizing the masses to push for a faster pace of democratization. But the democrats' more pressing problem is to reestablish among the Hong Kong people confidence in electoral and party politics. Otherwise, the public may become ever more alienated from the political establishment, which would make it all the more difficult to create and build support for a new democracy movement in 2007 and beyond.

On the other hand, the weakening of the DP and rise of the DAB might tempt the Chinese government to adopt a more open attitude toward democratization. Few would be surprised if the DAB overtakes the DP in total popular votes in the 2004 election. The Chinese government already controls the non-elected executive branch of HKSAR, which holds most of the region's policy-making power. If the DAB can capture a reasonable share of seats through popular election, China may allow a faster transition to a fully elected Legco to accord the system with better legitimacy. However, if all Legco seats were open to direct election and elected representatives had to vie for public support, the political dynamic that could be generated would be difficult to control and this could put heavy pressure on the SAR government. A paradoxical development could result in which Hong Kong's democracy movement declines in strength while Hong Kong democratizes at a faster pace. And such an overestimation of the ability to control the pace of reform is precisely how some authoritarian countries have unintentionally opened their regimes to democratization.