Policy Forum Article

The Future of Hong Kong Governance: The Pro-independence Legislators’ Election Fallout and Beijing’s Political Voice in Hong Kong

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Abstract

This article examines the activities, street-level and Legco tactics as well as the political orientation of the pro-autonomy advocates, localists and pro-independence groups in Hong Kong, contextualized within the September 2016 Legislative Council Election, ‘Fishball Revolution’ and Beijing’s interpretation of the Basic Law that all took place within 2016. The ‘localists’, an amorphous group that ranges from greater Hong Kong autonomy seekers to outright independence sympathizers, were a major supporter of the street vendors at the site of the ‘Fishball Revolution’. After the ‘Fishball Revolution’ tapered off in early 2016, the second leg of post-Occupy Central resistance began in the Legislative Council when prodemocracy as well as pro-independence individuals ran for the Hong Kong Legislative Council or Legco elections. The study of political factionalism within Hong Kong serves as an important comparative case study in analysing other social movements in the Northeast Asian region.

Key words: Hong Kong, Legco, independence, Beijing, China

1. Introduction

Hong Kong (HK) is a cosmopolitan city with a colonial past, geographical advantage, without natural resources endowment and has a large ethnic Chinese population. HK can theoretically have an optimistic future as a platform for China’s future premium Renminbi trading centre and its gateway status to the world as Asia’s ‘World City’. The city economy has also been trying to strengthen its economic exchanges with Southeast Asian region with mixed results. HK therefore is poised to enter the 21st century as a rejuvenated regional economic centre. In terms of quality of life, former Chief Secretary Lam also mentioned that the territory is also busy improving the lives of Hong Kongers through the provision of more green spaces, including cycling tracks. The government bureaucracy and the tycoons of HK had in the past been relied upon by Beijing to run the Special Administrative Region in an efficient and productive way, enhancing HK’s laissez faire capitalist economy and its relatively free space for social discourses.

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The old economic elites of HK society were the tycoons in the territory.¹ HK has a strong reputation for free trade, the rule of law, policy planning for economic prosperity for its residents and providing an environment conducive to entrepreneurship. An engine that drives these achievements is HK’s tycoon elites who are entrepreneurs that founded and expanded their companies into conglomerates based on sheer hard work and visionary business strategies. Conspicuous wealth accumulation by the tycoons and their economic influences in running conglomerates, providing services and employing the local HK workforce, made Beijing and the authorities aware of their economic importance. This was visible in Beijing’s closed-door dialogue on 22 September 2014 with selected members of HK’s tycoon elites and government officials before the start of the pro-democracy Occupy Central movement. But their wealth accumulation has also become a subject of public debates related to issues of socio-economic inequity, resource distribution and social class stratification in post-Occupy HK’s polarized society. On their part, the tycoons and other business elites are also worried about economic policies affected by political impasse in HK.

Year 2014 presented a challenging year for the tycoons because of the changing political climate brought about by Occupy Central movement. Some of the causal factors or social issues associated with the social movement mentioned in the HK and international media included the cost of housing, income gaps and inequitable opportunities and job prospects that were linked to inequitable wealth and resource distribution (Lim & Xiaojuan 2016a). Since the occurrence of the pro-democracy event Occupy Central, HK has become a factionalized society divided into moderates: pro-Beijingers, pro-Hong Kongers, pro-independence activists, radicals, anarchists, pro-democracy activists, leftwingers, localists, minzhulun advocates, greater autonomy advocates and others. Out of these factions, the moderates (including the silent majority) have always been able to quietly shape the mainstream narrative, with a preference for gradual and peaceful changes, pragmatic ideas of suffrage, economic stability and displays of patience for methods of political advocacy through persuasion.

2. Pro-democracy Street Clash

January 2016 began with a local skirmish that quickly became territory-wide and international news. Against the backdrop of mounting restiveness in HK over publishers’ kidnapping, voices about press freedom in the aftermath of the Occupy movement come the ‘Fishball Revolution’.² It started off quite unassumingly with the police clearing up unlicensed hawkers on the eve of the Lunar New Year. But this law enforcement action unknowingly fomented discontent. Symbolically, to the pro-‘localist’, pro-HK autonomy forces, the hawkers were in the past a mainstay of HK street-food life and a feature of ‘old’ HK (that is, pre-1997). The police action was preceded by information of the impending raid disseminated through social media by activists that included the ‘localists’. In the aftermath of the ‘Fishball Revolution’, 50 individuals were arrested and a hundred injured. Forty were eventually charged for rioting. Police patrol vehicles were damaged, and there were attacks on law enforcement action.

1. Part of this paragraph’s materials on the tycoons is selectively derived from Lim and Xiaojuan (2016a). [online copy available at https://www.amazon.com/Tycoons-Hong-Kong-Between-Central/dp/1783269790]. Some of the authors’ opinions were also expressed in a limited circulation background briefs: Lim, Tai Wei, “Hong Kong in 2016: ‘Fishball Revolution’ and Basic Law Interpretation EAI Background Brief No. 1200 Policy Report” (Singapore: National University of Singapore East Asian Institute), 2017; and Qi, Lincey and Lim Tai Wei, The Rise of Localist Young Activists in Hong Kong EAI Background Brief No. 1219— (Singapore: National University of Singapore East Asian Institute), 2017.

2. Parts of the following paragraphs are selectively derived from my unpublished manuscript (T.W. Lim, unpublished manuscript) at the point of writing titled “Fishball Revolution’ and the Hong Kong Identity”.
enforcement officers, according to the HK authorities.

In the ‘Fishball Revolution’, the street vendors located at the intersection between Shan Tung Road andPortland Street in Kowloon were apparently part of a night-time market selling old-time goodies. Such fly-by-the-night operations were technically illegal but allowed to operate by the authorities given the festive mood of the occasion. Given that the authorities mobilized public hygiene officers, it may be possible that a major causal factor was to improve public food hygiene in HK. This campaign had apparently been ongoing for a year since 2015 according to international media reports. In HK, the daipaidong (street-side hawker) culture attracts all socio-economic stratum of consumers, from the wealthy elites to the bourgeoisie and to the proletariat working class. But housing and commercial rents, the closing of avenues to start a small business with little capital, are symbolically taken away. Therefore, besides ideological motivations, there is also a socio-economic undercurrent to the ‘Fishball Revolution’. The HK Secretary for Security argued that public hygiene personnel were on regular checks when they were confronted by more than 50 individuals and had to ask for police protection.

The ‘localists’, an amorphous group whose members range from greater HK autonomy seekers to outright independence sympathizers, were a major supporter of the street vendors at the site of the ‘Fishball Revolution’. Aligned against them are the Red Ribboners and some members of the public to agitate for political stability. Some pro-Beijing red patriots in fact formed groups to regularly sing pro-China songs near the site of the ‘Fishball Revolution’ in Mong Kok. Mainly made up of elderly or middle-aged ladies, the red choirs have become a fixture in this area where ‘localists’ are also active. The lesson that the authorities learnt very quickly at the start of the year 2016 was that the post-Occupy Central phase of resistance had begun. The ‘Fishball Revolution’ represented what some pro-democracy factions had promised—taking their fight to the streets of HK—alongside a group that confronted mainland tourists at the start of the post-Occupy Central period.

3. The Legco Battle

After the ‘Fishball Revolution’ tapered off in early 2016, the second leg of post-Occupy Central resistance began in the Legislative Council when pro-democracy as well as pro-independence individuals ran for the HK Legislative Council or Legco elections. Eventually, two pro-independence students were prevented by Beijing from taking their oaths to become legislators. The fight for the majority of the seats in the legislature takes place within the prevailing system of elections because, on 18 June 2015, 28 pan-democrat legislators threw out the political reform plan that required a committee to screen through all chief executive (CE) candidates before the election. The current system relies on a 1200-member committee that is nominated and un-elected. Majority of the committee members are made up of HK’s wealthy elites, labour unionists, agriculturalists, left-wing associations and other organizations that are deemed to be pro-Beijing. According to Michael DeGolyer, a HK Baptist university professor and member for the higher education section, he made comments to Bloomberg news that a handful of the tycoons have greater influence in the section of selection committee
members. The selection committee ensures that the tycoons representing the commercial, property, trading and financial industries will continue to retain their influence in the territory and in some ways, for a handful of them, disproportionate influence.

Outside the arena of the Legislative Council elections, other political contestations went on in the social sphere. For example, 19 years old in 2016, Joshua Wong the charismatic leader of the pro-democracy group Scholarism sought to enter mainstream politics by running for Legislative Council elections. Wong’s political agitation focused on campaigning for lowering the legal age to run political campaigns for legislative elections so that he can contest at the age of 19 years. The battle for control over avenues of alternative opinions also centred on university appointments as Johannes Chan, a professor of law, was rejected for a higher appointment (pro-vice chancellor) in the University of Hong Kong based on different politically contentious reasons cited by both pro-Beijing and pro-democracy supporters. Both became election issues as pro-democracy advocates raised these developments as Beijing’s gradual interference in HK politics and they were featured prominently in the local and international media. But the real spotlight was on the electoral battles and campaigning for Legco seats.

Hong Kong had its legislative elections in September 2016, in a system with 35 voted seats and 30 assigned ones. The seats that are not vote-able are functional constituencies drawn from different sectors in HK society, including the business elites. The system ensures representation by both pro-Beijing and pan-democratic forces that are present in the law-making body. In September 2016, six young incoming leaders were elected into the Legislative Council (Legco) in HK. This was a significant election held after the end of the Occupy Central movement. Given that the six young leaders are supporters of autonomy/independence/localism, they are seen as representative of groups advocating for faster democratization. Quantitatively, there was a record turnout with more than 2 million voters. An example of the six pro-independence/localism/autonomy politicians voted into power was Nathan Law (from the Demosisto Party) who was 23 years old at the point of the election. Another one of the six young candidates voted into the legislature, Youngspiration’s Baggio Leung and his party, publicly advocated HK independence.

The age of these young politicians is also significant because they will be witnesses in the year 2047 when HK’s one country two systems will no longer apply and a new political and social contract emerges between Beijing and HK. Law received the next highest number of votes in the multi-seat constituency. The election of six pro-independence/autonomy/localism movement leaders indicates a desire for change by some members of the public. Many within this group are keen to roll back what they perceive as Beijing’s influence in HK’s freedom and politics. If the pan-Democrats work with the six newly elected young leaders and form a one-third bloc within the legislature, they can veto constitutional bills. In the past, the pan-Democrats used filibustering to block bills and initiatives. Some expect this veto filibustering to intensify with the incoming pro-independence/autonomy/localism individuals, and the political deadlocks may continue.

Beijing, through the HK and Macau Affairs Office of the State Council, opposes any form of independence for HK. Pro-establishment
forces are trying to persuade the Democrats and pro-independence/localism/autonomy to moderate their political stance. Beijing made it clear that notions of independence ran against the Chinese constitution of China and HK legality. HK independence is a sensitive topic for the Chinese authorities as it may be associated with independence movements in Xinjiang, Tibet and Taiwan. They fear it may unravel the unity of the state. The election was seen by some as a litmus test of the popularity of the current Chief Executive CY Leung. Pro-Beijing legislators pointed out the unrealistic nature of HK independence and also the importance of ‘One Country Two Systems’ model for regulating bilateral relationships. Just as pro-democracy and pro-Beijing candidates battled it out for the hearts and minds of the HK voters, China’s envoy arrived from Beijing.

4. Enter Zhang Dejiang

Chinese top leader Zhang Dejiang’s visit 6 just before the elections was an important mission to gather information on Hong Kongers’ voices across different sectors (including an unprecedented meeting with selected pan-Democrats) in order to recalibrate relations between Beijing and HK in the post-Occupy Central period and also lay the way for President Xi Jinping’s upcoming visit. Zhang Dejiang who was born in 1946 became a member of the Central Committee of the Chinese Communist Party in 1997, rising up the ranks to become vice-premier of the People’s Republic of China. He holds the portfolio of Beijing’s point man for HK issues in the capital and is the top leader in the National People’s Congress (or Renda), one of the two lianghuis in China, perceived as important avenues for articulating people’s voices to the Chinese Communist Party and the Chinese government. Zhang is not a stranger to HK. He recalled ‘vividly’ his appointment as party chief of Guangdong when he had to cooperate with HK to control the spread of the severe acute respiratory syndrome after it initially affected residents living in southern China in 2002 and caused the death of 774 lives worldwide (Wong 2016).

Zhang Dejiang officially visited HK on the third week of May 2016 to attend an economic seminar in Wan Chai related to One Belt, One Road. Zhang’s visit is significant in many ways as the highest ranking leader to visit HK since the Occupy Central movement and is widely seen to be an attempt by Beijing to extend an olive branch to all political factions in HK. Zhang had dialogues with more than 40 participants, including the most important bureaucrats of the HK Special Administrative Region government, unofficial members of the Executive Council, Legislative Council individuals, the chief justices of the Court of Final Appeal and High Court, and District Council chairpersons. The establishment and scientific communities were amongst the first to welcome Zhang to HK. Secretary for Innovation and Technology Nicholas Yang indicated that policies and supporting institutions helped to enhance cooperation between HK and the Mainland. The pro-democracy crowd demonstrated against his visit. Some argued that Zhang’s visit before the major September election season for the Legislative Council cultivated Beijing’s aspirations to have pro-Beijing candidates as winners in the election. But Chinese state organs rebutted this perspective and pointed out that Zhang’s visit is to prepare HK for the visit of President Xi Jinping in 2017 to celebrate the 20th anniversary of the handover of sovereignty from Great Britain to China. The HK establishment also encouraged legislators to meet up with Zhang in the interest of better Beijing–HK relations. Ten legislators had been handpicked to meet Zhang at a reception, and they included moderate pro-democracy activists. Meeting in small groups and with pre-selected personnel appears to be the preferred modus operandi for Beijing.

6. Part of this section on Zhang Dejiang’s visit is selectively derived from a limited circulation background brief: Lim, Tai Wei, “Managing Beijing-Hong Kong Relations: Zhang Dejiang’s Visit” in EAI Background Brief No. 1148 (Singapore: National University of Singapore), 2016.
Zhang himself said publicly that he was interested to get views and feedback on the role of the Basic Law in HK. The 10 moderates indicated they used the opportunity to share their views of HK issues. Other media reports clarified that out of the 10 moderates, four are considered non-radical pro-democracy activists (Li 2016).

From these meetings, Zhang is also testing the waters for future Chinese leaders. If moderate pro-democrats are able to hold a rational and productive conversation with him, it opens the way for future legislators to have the same conversations. However, for some, within the pro-democracy crowd, it was perceived as propaganda to show Beijing’s benevolence and non-vindictiveness. Democratic Party Chairwoman Emily Lau was granted a rare audience with Zhang as some in the international media reported such moves making ‘veteran members of Hong Kong’s pro-democracy movement react[ed] with cautious optimism’ (Philips & Sala 2016). Her encounter was published in the British newspaper The Guardian. ‘It was unprecedented’, Lau informed The Guardian. I think the Chinese leaders have never met with the pro-democracy legislators in such a way. It was a very close encounter. I was standing right next to him. Actually, at first I thought he didn’t know what to do. (Philips & Sala 2016)

Lau further explained that she had been ‘encouraged’ by the short dialogue where she and pan-Democrat allies ‘bluntly but politely’ informed Zhang of their ‘anger over issues including China’s meddling in Hong Kong’s affairs, its refusal to grant democratic concessions and its alleged kidnapping of a [Hong Kong] bookseller …’ (Philips & Sala 2016). Lau related the encounter:

So I immediately leapt in and told him that Hong Kong people are very worried and are very agitated and some feel very desperate and hopeless because the governance is so bad, [chief executive] CY Leung is not capable of running Hong Kong and Beijing is also bad in not allowing us to have genuine democratic elections (Philips & Sala 2016).

She was not alone. Alan Leong, chair of HK pro-democracy Civic Party, who also met Zhang, said that ‘… he is really trying to mend some of the broken relationship and [wanted] to project an image that he is quite willing to listen’ (Philips & Sala 2016). Leong added that ‘he sensed Beijing was anxious about how Hong Kong politics had become increasingly radicalised in the wake of the 79-day “umbrella movement” protests in 2014’ and that ‘China’s leaders needed to understand the solution was dialogue and political reform, not arresting or pressuring its opponents’ (Philips & Sala 2016). The radical factions boycotted an official dinner hosted for Zhang. The more mainstream pan-Democrats urged Zhang and Beijing to remove the current Chief Executive Leung Chun-ying after his term expires. The pro-establishment forces are rallying behind Beijing, the HK government, the HK police and/or the CE.

During Zhang’s visit to HK, the most extremist or radical pro-democracy protesters and activists continued their campaign of covering landmarks with canvas signs with one on an elevated rock opposite the harbour saying ‘I Want Genuine Universal Suffrage’ and the other one hung at a location along the drive-through by Zhang’s delegation indicating ‘End One-Party Dictatorship’ (Wong 2016). A consequence of banner protests was the incarceration of approximately seven League of Social Democrats party individuals (Wong 2016). In fact, the League appears to be one of the most proactive organizations against Zhang. In another incident, the activists took down and kept a flag belonging to the League of Social Democrats when they were demonstrating outside the Central Government Headquarters in HK on the arrival day of Zhang (Ap et al. 2016).

Despite the gentle protests of pro-democracy factions, Zhang’s support for the former Chief Executive Leung Chun-ying is unwavering as he expressed the central government’s satisfaction with Leung’s administration. Given such support, the strength of moderate pro-democracy activists to prevent Leung from running for another
term is greatly diminished. Zhang also publicly expressed confidence in the territory’s future. Despite showing public display of support for Leung, Zhang stayed away from revealing Beijing’s preferences for the next leader. This is in conformity with the central government’s public pledge of neutrality in candidature for the CE. The so-called ‘observe, listen, speak (Liu 2016)’ objectives of Zhang’s trip have been perceived and interpreted differently by two factions, reflecting sentiments of the pro-Beijing crowd (mostly consisting of senior officials, government leaders, investors interested in One Belt One Road and the scientific community working in HK’s scientific establishment) as well as the pro-democracy factions (both the moderates and the radicals).

5. The Book Retailer’s Press Conference

For every political action, there was a counter reaction. A press conference held by book retailer Mr Lam Wing-kee on the heels of Zhang Dejiang’s charm offensive reflected the contestation of narratives and counter narratives in the highly factionalized HK society. The most liberal-minded pro-democrats and the pro-autonomy/pro-independence advocates (two groups that are not always mutually exclusive but share a significant range of political views) seized upon this press conference for energizing their own advocacies (with their own respective political nuances), while the moderate pro-democracy factions are likely to contextualize the Lam press conference within their recent civil meeting with Zhang and what some of them perceive as a potential new conduit for putting their political views across. The mainstream moderates in HK society evaluated the views of both pro-establishment and pro-democracy forces after the press conference and Mr Lam’s revelations before shaping their mainstream political narrative, contextualizing their views within the rubric of the reality of recognizing a strongman administration in the central government, an impending visit by President Xi and the slight rapprochement achieved during the recent Zhang visit. They are keen to have more information, waiting to have more revelations from all members of the detained publishers and book retailers before making their judgements about their own individual subjective ideas about the future of HK.

6. Post-Legco Political Contestation

The results of the Legco election did not bring the political reprieve as hoped. The results of the elections heralded in a number of pro-independence advocates, despite Beijing’s opposition to such political agendas. It elicited different reactions from different parties and factions. The legalists and pro-democracy factions wanted to debate and resolve, within the chambers of the Legco itself, the question of whether pro-independence individuals can be prevented from taking the oaths to join the Legco by Beijing based on their political beliefs. The HK government was initially in favour of going through the judiciary, and after the National People’s Congress decided to weigh in on the situation, the CE of the Hong Kong Special Administrative Region requested for Beijing’s interpretation as well. The National People’s Congress unilaterally decided to take up the responsibility of interpreting the Basic Law on this issue. This is only the second time it has done so since 1997. Complicating the matter, the pro-independence candidates used words like ‘Chee-na7 or Shina (a derogatory term used in Imperial Japan to refer to China before and during WWII) in their political narratives related to the oath-taking procedure. Once again, political factionalism and polarization divided HK society. On 6 November 2016, protestors in HK once again clashed with the authorities who responded with pepper spray, resembling the 2014 Occupy Central movement with the display of yellow

7. The term ‘Shina’ is an archaic term to refer to China in Japan. It is no longer in mainstream use in Japan due to its derogatory connotations from the Chinese perspective. ‘Chee-na’ is the Hong Kong version of the word that also carries negative connotation. ‘Zhina’ is the Hanyu Pinyin version in mainland China.
umbrellas (the object that gave the namesake to the 2014 movement).

In interpreting the Basic Law on this matter, both the HK government and decision-makers in Beijing wanted clarity on the subject of whether the oath taking of two legislators could proceed. There are different narratives of the purpose. One major narrative is for clarity on the topic. Another narrative says Beijing wants to make its views known on the subject before the court ruling or legislators debate over this as some advocates of legal procedures in HK noted. To the moderates and the pro-government forces, these are credible reasons for clarity on the subject matter. To the liberals, pro-independence forces, strong advocates of legalist measures and those in favour of autonomy, this might have been premature. They give priority to judiciary and legislative measures first. So there are at least two camps. In accordance with the inherited British judiciary parliamentary system and also principles of separation of power in a liberal democracy within a sovereign state, it may be the case. HK however is not a sovereign state; therefore, most experts agree that Beijing has the legal right to carry out interpretation. Moreover, China has a hybrid socialist system with free market features; it is unclear how this hybridization affects political and legal interpretations.

Having said all that, HK also has a mini-constitution that provides political practices not implemented in the same format as that on the mainland. Thus, the situation is very complex and may be a case without actual precedents in other countries. All stakeholders have to navigate this complexity gingerly. Rising tensions are no good for any political leaders. It can only help the CE if temperatures are drawn down and things are calmer. Currently, it appears some in Beijing may wish to draw some boundary markers to the political narratives in HK. For them, unity appears to be the overriding goal. This appears to be what the state-owned dailies in China are saying when commenting on the latest development. The CE has to negotiate between Beijing and genuine HK political aspirations. It is not an easy task and a test of the CE’s political skills.

7. Concluding Remarks

When Occupy Central ended, it brought stability back to the streets. But it also drove disgruntled activists underground who then proceeded to pursue their goals through two means—legal means (for example, those who ran for the elections under the banner of pro-democracy and a smaller group under autonomy and independence) and street battles, for example, hide and seek with the police during the recent visit of Chinese dignitary. These two formats seem to be more likely for now than a consolidated OC, which activists have learnt was easy to mobilize by aggregating protestors of different ideological stripes but difficult to maintain over a long period of time. But one cannot rule out that it is always possible for symbolic incidents to rally the mobilization of pluralistic groups again. HK’s social movement emergence is not exceptional in the region. In the past 2 years, Northeast Asia has seen a wave of public protests from the Sunflower movement in Taiwan to Occupy Central in HK to the protests in Japan over collective self-defence bills.

What they all have in common is the strong presence of students, drawn into the streets by the conviction that their voices will not be heard through the electoral process alone. More broadly, it is a sign that young people across Asia are shaking off decades of public apathy and showing themselves as the new face of democracy in Northeast Asia. In HK, university students were angered by China’s pre-screening of candidates for the island’s CE. Occupy Central saw tens of thousands camped out in the heart of HK, and the Sunflower movement saw a 100,000 turnout at its peak. In HK, while the government, pro-Beijing and pro-government forces as well as a section of the business sector were in favour of China pre-selecting candidates for the...
CE, the students raised concerns over the composition of the pre-screening committee and of the very procedure itself. The HK protestors succeeded in attracting international attention to their cause, while the pro-democrats in the legislature voted against the universal suffrage reform package with a pre-screened CE candidate.

Three points are visible. First, we may be witnessing the rise of a new generation of young Northeast Asians who are likely to fill the future ranks of liberals and democracy advocates in the region. Second, they will be shaped by shared experiences in the past year or so with the tear gas incident in HK when the police used tear gas to clear protestors occupying a major road artery to the key financial district of HK. The student activists have discovered that it is possible to make their voices heard through public airing of grievances. With the exception of a few brief sporadic clashes in Mong Kok, Occupy Central was largely peaceful. Third, it also showed that social media technologies and platforms have made it possible to spread alternative viewpoints, mobilize students for political gatherings and advertise their causes globally. Social media also enhances the charisma of young public figures. Examples in HK include the likes of Edward Leung (HKU student), Baggio Leung (Young-spiration) and Joshua Wong (HK Open University student). The younger generation of Northeast Asians are exposed to a cosmopolitan culture and used to the normative idea of globalization, and some may have received liberal education in the west or within democratizing societies in East Asia. The trends in globalization and cosmopolitanism may make it seem unlikely for the region to witness non-liberal-minded young public figures in Northeast Asia region or in HK, although one cannot rule out the future emergence of nationalistic sentiments (for example, the ‘angry youths’ or fenqing in China) or conservatism in South Korea or Japan.

With the rise of a new political force in the HK political scene, the old elites may need to adjust to new sociopolitical developments and trends in the territory. In the post-Occupy Central moment, the wealthy elites need to consider public perceptions of their asset holdings, the sensitivities of public resentment of income gap and their social responsibility to HK. Maintaining politically neutral silence prevailed amongst the wealthy elites. Three points make their attempts to remain quiet challenging. First, tycoons, especially those who are first amongst equals, will continue to be influential in the territory despite the social backlash and perceptions (sometimes unfair) of their contribution to HK’s inequities. Second, many remain committed to HK’s development and either deny leaving or abandoning the territory. Third, it is also likely that it may not be business as per normal as the tycoons will find an increasingly delicate path to thread between an assertive Beijing under President Xi Jinping’s administration that is likely to remain in power for at least a few more years and social pressures from mob politics keen on deconstructing its perceptions of social inequities and injustice found in HK. It may also mean that the tycoons will eventually have to reach out to more sectors of HK, demonstrate social responsibility, ethical behaviour and community work, generate a positive image in the minds of the HK people and also demonstrate loyalty to Beijing or patriotism for its Chinese audience.

Many of the richest tycoons are now in their eighties, and many of their successors (many but not all are family members) now operate the businesses. HK’s relationship with Beijing could also change prevailing economic circumstances and impact on the role of tycoon elites in HK’s economy. The investments by HK tycoons in mainland China are a source of political leverage for HK tycoons seeking to expand their fortunes and conglomerates, but it is also equally applicable for the political elites in Beijing who wield power through

9. Parts of this concluding paragraphs on the future of the tycoons’ role in Hong Kong economy and society are selectively derived from: Lim and Xiaojuan (2016aa). [online copy available at https://www.amazon.com/Tycoons-Hong-Kong-Between-Central/dp/1783269790]
policy-making decisions that can affect the tycoons’ fortunes. The tycoons’ economic decisions in the near future, political stability and the outcome of the pro-democracy agitation will be observed closely by the stock market. The stock market aggregates all factors, political, social and economic factors within an economy, and in general, they tend to sway towards certainty, stability and clarity. Having said that, the market is fickle and can react both to perceptions and misperceptions of the impact of political events. It depends on the level of instability brought about by political movements, which a sizable number of Hong Kongers seems to be passionate about. The foreign investors are concerned about the outcome of the political dynamics between pro-democracy movement and the HK establishment (including law enforcement) and the outcome of what seems to be perceived as a polarized society.

On the one hand, rule of law, British contract law, the stability of the legal system and accountability have served HK well. Foreign investors cherish that. On the other hand, there is a strongman regime in Beijing keen to have a smooth leadership transition, party unity and stability of the state unit. The sociopolitical equilibrium that HK reaches in between these two objectives is watched closely by foreign investors and the international community. HK is a vibrant society with relatively high levels of freedom, a thriving market economy (one of the most competitive laissez faire economies in the world) and a hardworking pragmatic people. It has been weathering political storms and even wars in the past and did remarkably well. The resilient and hardworking HK society will eventually find its own unique way in navigating political and geopolitical changes that are affecting all stakeholders in the region. This would be subjected to internal political dynamics within China as well as China’s foreign relations with other major powers in navigating any possible political or geopolitical major changes in the region. For example, HK is likely to benefit from China’s long-term intentions to internationalize the renminbi and simultaneously exposed to China’s robust foreign profile.

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