

Government - Business Relations in Hong Kong after 1997: A Triple Model of Analysis

• Wong Cham Li¹

Abstract : The focus of this article is on Government-Business Relations (GBR) in Hong Kong after the handover of sovereignty to China in 1997. The subject matter of GBR is concerned with the whole range of interactions between the government in its many manifestations, on the one hand, and business or industry, in all its complexity, on the other. (Wilks & Wright, 1987) This article attempts to posit for Hong Kong a triple model of GBR, namely the corporatist, pluralist and consultative dimensions of institutional interactions in interest intermediation and policy concertation. The former two modes represent a group level interaction between government and functional/corporate and preference/political associations respectively; whilst the consultative mode involves a personal level interaction with the administration of individual businessmen.

Key Words: Corporatist mode Pluralist mode Consultative mode

The Corporatist Dimension

Philippe C. Schmitter (1979, p.13), in his seminal definition of corporatism, says:

“Corporatism can be defined as a system of interest representation in which the constituent units are organized into a limited number of singular, compulsory, non-competitive, hierarchically ordered and functionally differentiated categories, recognized or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports.”

Fig. 1 presents the typical properties of corporatism (Wong, 1996, pp.25-27).

• Mr. Wong Cham Li, PhD from University of Hong Kong, is a guest lecturer at Macao University of Science and Technology.

Fig. 1 The Corporatist System of Interest Representation.

Groups

type of groups	functional/producer/corporate groups
dominant ideology	rights of private property
number of groups	limited/specified number of groups
interests of groups	fixed/singular interest domain(s)
membership in groups	compulsory
group discipline	compulsory contribution/compliance
degree of representation	full/concentrated representation, representational monopoly
mode of formation	recognized, licensed, subsidized, or created by state

Inter-Group Relations

concept of power in inter-group relationship	non-zero-sum
nature of inter-group relationship	no competition, hierarchically-ordered

State-Group Relations

access to state	guaranteed/privileged access
state control on leadership selection & interest articulation	sometimes present
role of state <i>vis-à-vis</i> interests	corporate bias
role in policy process	formal role in policy formulation &/or implementation
way of conflict management/resolution	collaborative, co-operative, consensual, two-way
state/group relationship	reciprocally clientelist, symbiotic
state/society & public/private boundary	fusion
nature of socio-economic order attained	corporative-associative order

At a macro level, as the highest level of interest intermediation and concertation by centralized corporate groups, corporatism may take various forms. (Coombes, 1982; Scott, 1989) One of those, which was adopted by Hong Kong, is to provide for the direct representation of the organized socio-economic interests at the legislative body. This system of functional representation, as it is called, was first introduced in the 1985 Legislative Council (Legco) Election and retained after the handover. Thus, *the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (hereafter the Basic Law)* prescribes that the first Legco of the Hong Kong Special Administrative Region (SAR) shall be composed of 30 members returned by functional constituencies. The number shall be kept the same for the second and third Legco. Table 1 gives the composition of some of the major functional constituencies in the business category and the number of seats allocated to them (*Legislative Council (Electoral Provisions) Ordinance*).

Table 1 Composition of Some of the Business Functional Constituencies.

Constituencies	Electoral Divisions	Electors	Number of Elected Members
Commercial Functional Constituency	a. First Commercial electoral division	Members of the Hong Kong General Chambers of Commerce entitled to vote at general meetings of the Chamber	1
	b. Second Commercial electoral division	Members of the Chinese General Chamber of Commerce entitled to vote at general meetings of the Chamber	1
Industrial Functional Constituency	a. First Industrial electoral division	Members of the Federation of Hong Kong Industries entitled to vote at general meetings of the Federation	1
	b. Second Industrial electoral division	Members of the Chinese Manufacturers' Association entitled to vote at general meetings of the Association	1
Finance Functional Constituency		Members of the Hong Kong Association of Banks entitled to vote at general meetings of the Association	1
Financial Services Functional Constituency		Members of the Hong Kong Exchange; Hong Kong Stockbrokers' Association; and Hong Kong Gold & Silver Exchange	1
Insurance Functional Constituency		Members of the Insurance Council of Hong Kong	1
Real Estate and Construction Functional Constituency		Members of the Building Contractors' Association	1
Tourism Functional Constituency		Members of the Hong Kong Tourism Development Board and Joint Council of the Travel Industry of Hong Kong	1

For the political orientations of Legco members returned by functional constituencies and others, four groups may be distinguished: The pro-business members are those representing the various business sectors of Hong Kong. Some of them are members of the Liberal Party (LP) which represents business interests and a few of them are themselves businessmen. The independent members are mainly composed of those returned from professional constituencies, like engineering, architecture, accountancy, the medical sector, etc. These people are professionals, not businessmen. Though "independent" by political stance, they support more

often the business interests and become an ally of the business class. The pro-establishment members are composed of members of the Democratic Alliance for the Betterment of Hong Kong (DAB) and the Hong Kong Federation of Trade Unions (FTU), who are sympathizers of the Chinese mainland authority and defenders of the SAR system of government in Hong Kong.

The anti-business members comprise those people whose political stance is against the establishment and government. They in general support the grass-root interests and demand more welfare for the less well endowed people. In terms of party affiliations, this anti-business lobby consists of members from the so-called pan democratic camp composed of the Democratic Party (DP), the Association for Democracy and People’s Livelihood (ADPL), the Frontier, the Civic Party (formerly the Article 45 Concern Group), the Confederation of Trade Unions (CTU), and a handful of independent personalities. The different interests of these four groups of Legco members can be graphically presented by a pro-business and anti-business continuum in Figure 2.

Fig. 2 The Political Orientations of Legco Members on a Pro-business and Anti-business Continuum.

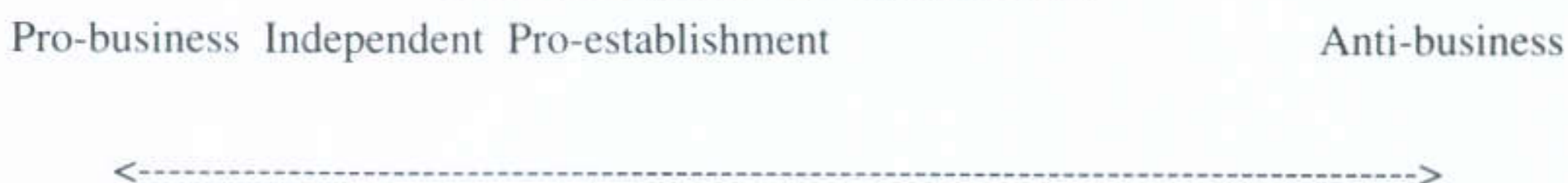


Table 2 denotes the political orientations of Legco members returned by functional constituencies in the three elections of Legco undertaken since 1997.¹ Table 3 gives the distribution of the pro-business, independent, pro-establishment and anti-business members. It can be noted from Table 3 that the number of pro-business members alone already occupied half or over half of the total 30 seats elected by functional constituencies -- 15 for the 1998 Legco Election, and 16 for both the 2000 and 2004 Legco Elections.

Table 2 The Political Orientations of Legco Members Returned by Functional Constituencies.

Functional Constituencies	1 st Legco 1/7/1998 - 30/6/2000	2 nd Legco 1/10/2000 - 30/9/2004	3 rd Legco 1/10/2004 - 30/9/2008
Commercial - First	*	*	*
Commercial - Second	*	*	*
Industrial - First	*	*	*
Industrial - Second	*	*	*
Finance	*	*	*
Financial Services	*	*	*

Government - Business Relations in Hong Kong after 1997: A Triple Model of Analysis

Insurance	*	*	*
Real Estate and Construction	*	*	*
Tourism	*	*	*
Import and Export	*	*	*
Textiles and Garment	*	*	*
Information Technology	****	****	****
Wholesale and Retail	*	*	*
Catering	***	*	*
Transport	*	*	*
Agriculture and Fisheries	***	***	***
Sports, Performing Arts, Culture and Publication	*	*	*
Architectural, Surveying and Planning	**	**	**
Engineering	**	**	**
Accountancy	**	**	****
Medical	**	**	****
Health Services	****	****	****
Education	****	****	****
Social Welfare	****	****	****
Legal	****	****	****
Labour	***	***	***
Labour	***	***	***
Labour	**	**	**
Urban Council	**		
District Council		***	*
Heung Yee Kuk	*	*	**

* Pro-business

** Independent

*** Pro-establishment

**** Anti-business

Table 3 The Distribution of the Pro-business, Independent, Pro-establishment and Anti-business Legco Members Returned by Functional Constituencies.

Political Orientations	1 st Legco 1/7/1998-30/6/2000 (No.of Members)	2 nd Legco 1/10/2000-30/9/2004 (No.of Members)	3 rd Legco 1/10/2004-30/9/2008 (No.of Members)
Pro- business	15	16	16
Independent	6	5	4
Pro-establishment	4	4	3
Anti-business	5	5	7
Total	30	30	30

The Basic Law stipulates that the passage of motions, bills or amendments to government bills introduced by individual members of Legco shall require a simple majority vote of each of the two groups of members present: members returned by functional constituencies and those returned by geographical constituencies through direct elections and by the Election Committee (this was phased out in the 2004 Legco Election). In other words, under this procedure, the pro-business members are assured to secure a majority vote in the functional constituency group and therefore can end all motions which they do not like. The debate on the minimum wage and longest working hour issue in Legco meeting on 13 October, 2004, is a recent case in point.

In this meeting, a motion calling for a minimum wage and a cap on working hours was moved by a pro-establishment DAB legislator and an anti-business DP legislator (Takungpao, 14/10/2004). They argued that countries with a free economy, such as the US, Germany and Japan, have all legislated for a minimum wage and maximum working hour. So how can the Hong Kong government not do the same? After all, the debate on the issue began as early as the 1990s and lingers on until the present day. But the pro-business LP legislators contended that the proposal would turn off overseas investors and induce an outflow of working posts to neighboring regions in mainland China and that “many Hong Kong people like to have fun after work every night and go to the office with little energy the next morning; maybe we should consider regulating people’s sleeping hours.” (*South China Morning Post*, 14/10/2004). The motion which won overwhelming support among directly elected members was voted down by the functional constituency group. More significantly the business lobby showed it still has a firm grip, despite a rare accord between pro-establishment and anti-business legislators.

In response to the issue, the then Chief Executive Tung Chee Hwa replied in a session of Legco held the next day that “the measure [of setting a minimum wage and maximum working hours] will bring some short term benefits to the working people, but what about its long term effect on the economy, would it be good to Hong Kong as a whole?” He said he will refer the case to the Labour Advisory Board and the Economic and Employment Council for further consideration (*Ming Pao*, 15/10/2004). Obviously, the government, headed by Tung, himself a businessman, is hesitant and reluctant to introduce the measure. Otherwise the government will have already sent a bill on the same issue for passage in Legco.

Another recent case with a business interest, and which is a subject of heated debate, is the issue of competition policy. On 20 October, 2004, Legco held a meeting to discuss a motion moved by three anti-business legislators on enacting a fair competition law (*Municipal Daily*, 19/10/2004; *Sing Pao*, 20/10/2004). It was contended that retail banking, supermarket, and gas and petrol oil supplies are some of the sectors having a low level of competition. A comprehensive competition policy, including the enactment of a general competition law to cover all kinds of abuses of a dominant position, should be adopted. To facilitate this, a Competition

Authority should be established to investigate and judge on all possible breaches of the law. This is the sixth time that Legco has debated the subject.

The legislators in the pro-business camp, including members of the DAB, however, were of the opinion that the basic philosophy of free trade has served Hong Kong well. There is no evidence to suggest that unfair trading is rampant. They caution that replacing the existing non-interventionist and sector-specific approach with a comprehensive policy may weaken the government's ability to efficiently and effectively deal with the special situations each individual industry faces, and they discourage investment. After all, the proposal to confer upon the proposed Competition Authority investigative and judicial powers would make the Authority too powerful, which will also very likely evolve into a mammoth bureaucracy hindering rather than promoting the competitiveness of Hong Kong. The motion was again voted down by the functional constituency group in Legco (*Wen Wei Po*, 21/10/2004 & 26/10/2004).

Chief Executive Tung Chee Hwa, in reply to a question asked by an anti-business DP legislator at a Legco session on the subject, says that we (the government) believe a non-interventionist competition policy, moderated with need-based sector-specific regulations, best suits the needs of Hong Kong. He added that he would refer the case to the Economic and Employment Council for further consideration (*Hong Kong Economic Journal*, 15/10/2004; *Ming Pao*, 19/10/2004).

At a meso or functional/sectoral level, the corporatist mode finds its expression in the appointment of non-officials nominated or elected by corporate groups to the councils, boards and committees (for details, see below) set up by government such as the trade and industrial associations. Thus the Port Operations Committee functions to advise the Director of Marine on all matters affecting the efficient operations of the port of Hong Kong. It comprises the following members: ²

Director of Marine, *chairman*

1 representing oil industry

1 representing local ferry operators

1 representing dockyard operators

1 representing Hong Kong Liner Shipping Association

1 representing Hong Kong General Chamber of Commerce

1 representing Hong Kong Pilots Association

1 representing wharf and godown operators

1 representing Hong Kong Cargo-Vessel Trader Association

1 representing Hong Kong Container Terminal Operators Association

1 representing Hong Kong Shipper's Council

1 representing Hong Kong Shipowners' Association

1 representing Civil Engineering Department

1 representing Economic Development and Labour Bureau

1 representing Marine Department

The Labour Advisory Board mentioned above is intended to advise the Permanent Secretary for Economic Development and Labour (Labour) on such matters affecting labour, including legislation, and Conventions and Recommendations of the International Labour Organization. It includes the following members:

Permanent Secretary for Economic Development and Labour (Labour), *chairman*

Employee representatives:

Five members elected by registered employee unions

One member appointed *ad personam*

Employer representatives:

Five members nominated by major employer associations —

One representing the Chinese General Chamber of Commerce (CGCC)

One representing the Chinese Manufacturers' Association (CMA)

One representing the Federation of Hong Kong Industries (FHKI)

One representing the Employers' Federation of Hong Kong

One representing the Hong Kong General Chamber of Commerce (HKGCC)

One member appointed *ad personam*

It is noteworthy that the four largest business associations, i.e., the HKGCC, CGCC, FHKI and CMA, are heavily represented in these councils, boards and committees. Thus the CMA delegates/nominees are officially represented on more than 60 such bodies (*Annual Report, 2003-2004, CMA*) Through these intermediaries, the centralized and other sectoral organizations of business are able to assume different public policy functions at a meso level formally in the concertation process, a major trait of corporatism.

The Pluralist Dimension

The pluralist paradigm has highlighted another mode of group/government interactions, which is distinct from corporatism. According to Schmitter (1979, p.15):

“Pluralism can be defined as a system of representation in which the constituent units are organized into an unspecified number of multiple, voluntary, competitive, non-hierarchically ordered and self-determined (as to type or scope of interest) categories which are not specially licensed, recognized, subsidized, created or otherwise controlled in leadership selection or interest articulation by the state and which do not exercise a monopoly of representational activity within their respective categories.”

Figure 3 presents the typical properties of pluralism. (Wong, 1996, pp.25-27)

Fig. 3 The Pluralist System of Interest Representation.

Groups

type of groups	preference/pressure groups: cause/attitude/promotional/ political groups; political parties
dominant ideology	rights of citizenship
number of groups	large/unspecified number of groups
interests of groups	overlapping/multiple interest domain(s)
membership in groups	voluntary
group discipline	self-contribution/self-compliance
degree of representation	overlapping & partial representation, no representational monopoly
mode of formation	self-/spontaneous formation

Inter-Group Relations

concept of power in inter-group relationship	zero-sum
Nature of inter-group relationship	pure competition, non-hierarchically ordered, adversary

State-Group Relations

access to state	equal access
state control on leadership selection & interest articulation	non-existent
role of state <i>vis-à-vis</i> interests	neutral
role in policy process	“parliamentary” influence but no formal role in policy formulation & implementation
way of conflict	adversary, one-way
management/resolution state/ group relationship	non-clientelist, mutually autonomous
state/society & public/ private boundary	separation
nature of socio-economic order attained	spontaneous order

In the pluralist mode, political parties or groups have to seek directly elected offices in the political marketplace. Unlike other political systems in the world in which there is a “lopsided participation of business” (Lindblom, 1977), this mode has not been developed in the industrial and commercial sphere of Hong Kong until recent years. The political groups in the business sector, like others, were mainly formed in association with the introduction of elected members into Legco based on geographical constituencies in 1991. *The Basic Law* has prescribed that the number of members returned by geographical constituencies through direct elections shall be 20, 24 and 30 respectively in the first, second and third term of Legco. Table 4 gives the distribution of the pro-business, independent, pro-establishment and anti-business members in these elections.

Table 4 The Distribution of the Pro-business, Independent, Pro-establishment and Anti-business Legco Members Returned by Geographical Constituencies Through Direct Elections.

Political Orientations	1 st Legco 1/7/1998-30/6/2000 (No.of Members)	2 nd Legco 1/10/2000-30/9/2004 (No.of Members)	3 rd Legco 1/10/2004-30/9/2008 (No.of Members)
Pro- business	0	0	2
Independent	0	0	0
Pro-establishmet	7	7	10
Anti-business	13	17	18
Total	20	24	30

None of the pro-business candidates, if any, won in the direct election exercises of the first and second Legco. However two from the pro-business camp who are LP members were returned in the third Legco Election (see Table 4) held recently. This shows that the industrial and commercial sphere is as yet relatively unprepared for this mode of interest representation. It is considered that the preliminary participation of business might be construed in terms of the opportunity cost involved, particularly when their interests might be possibly secured through alternative ways, mainly the corporatist (see above) and consultative (see below) modes, in particular the former one. There is a saying that as long as the system of functional representation exists, the business sector in Hong Kong will be reluctant to articulate and aggregate their interests through forming political parties or groups targeted for direct elections.

However, *the Basic Law* stipulates that the passage of bills introduced by the government shall require at least a simple majority vote of all the members of Legco present. This means there is a danger that if the anti-business members outnumbered the pro-business members and their allies - the independent and pro-establishment legislators- they would be able to end or veto any government bills, including those favouring business interests. In this sense, the business sector has to fight for more seats in the direct elections in order to have its political position secured.

The Consultative Dimension

The third dimension of GBR is more or less a creation of the former Hong Kong government which can be called the "consultative" mode, by our formulation, before 1997. It is widely known that the government institutionalized a system of consultation through a mechanism of what may be termed "co-optation" or "administrative absorption of politics" — the process of absorbing socio-economic elites into the political and administrative structure of the government (Selznick, 1966; Saward, 1990; King, 1975). Such a device of elite integration and interest accommodation essentially serves the purpose of bolstering the formal authority and thus legitimacy and stability of the government by sharing the responsibility for power but

not power itself. (*Ibid.*)

As far as business people are concerned, this proceeds mainly at two levels: at a managerial or macro level, they are appointed to the two Councils — the Executive Council and Legislative Council, as unofficial members, or enlisted as members of the large variety of councils, boards and committees at a functional/sectoral or meso level. Due to the fact these business elites are nominees of the administration, chiefly the Governor (or the Chief Executive after 1997), in their individual capacities, this form of representation is clearly “ascriptive” in that they are presumed to be a delegate, agent or spokesman of the sector or trade that they come from (Harris, 1978; Griffiths & Wolheim, 1968). Having regard to the context of Hong Kong, we therefore would give a meaning to that “consultative” mode as follows:

“The consultative mode of GBR can be defined as an ascriptive system of interest representation in which individuals from the community are co-opted into the government structures, having a role to play in interest intermediation and policy concertation.”

Figure 4 presents the typical properties of that mode (Wong, 1996, p.31).

Fig. 4 The Consultative System of Interest Representation.

status of individuals	socio-economic elites
interests of individuals	fixed/singular interest domain(s)
mode of formation	by co-optation
nature of representation	spokesman of sector(s)/trade(s)
dominant ideology	right of private property
access to state	guaranteed/privileged access
role of state vis-a-vis interests	bias
role in policy process	formal role in policy formulation &/or implementation
way of conflict	collaborative, co-operative, consensual
management & resolution	two-way
state/individual relationship	patron-clientelist
state/society or state/ individual boundary	fusion
nature of socio-economic order attained	non-spontaneous order

At a macro level, after 1997, the consultative mode finds its expression in the appointment of non-officials to the Executive Council (Exco). Under *the Basic Law*, Exco is an organ for assisting the Chief Executive in policy-making. Except for the appointment, removal and disciplining of officials and the adoption of measures in emergencies, the Chief Executive shall consult Exco before making important policy decisions, introducing bills to Legco, making subordinate legislation, or dissolving Legco.

Article 55 of *the Basic Law* stipulates that the Chief Executive shall appoint members of Exco from among the principal officials of the executive authorities, members of Legco and public figures. On 1 July, 1997, nine non-officials had been appointed. With the implementation of the Accountability System for Principal Officials from 1 July, 2002, the membership of

Exco comprises the 14 Principal Officials appointed under the Accountability System and five non-officials. Members hold office for a period no longer than the expiry of the term of office of the Chief Executive who appoints them. Since 12 October, 2004, the number of non-officials was expanded to seven. On 14 October, 2005, the new Chief Executive Donald Tsang appointed 8 more members to Exco. Table 5 gives the distribution of the pro-business, independent, pro-establishment and anti-business members since the handover (*Executive Council, 2006*). It shows that both the former Chief Executive Tung Chee Hwa and present Chief Executive Donald Tsang tend to appoint people from the business sector to Exco, who will then play a dominant role in this highest advisory body of the government.

Table 5 The Distribution of the Pro-business, Independent, Pro-establishment and Anti-business Members (Non-officials) in Exco.

Political Orientations	Exco Members (non-officials) Since 1 July, 1997	Exco Members (non-officials) Since 1 July, 2002	Exco Members (non-officials) Since 12 Oct., 2004	Exco Members (non-officials) Since 14 Oct., 2005
Pro-business	6	2	4	10
Independent	2	1	1	2
Pro-establishment	1	2	2	2
Anti-business	0	0	0	1
Total	9	5	7	15

At a meso or functional/sectoral level, the consultative mode is found to be present in the councils, boards and committees set up by the government with official and unofficial members, following the U.K. — the former home government — practice. The *Civil and Miscellaneous Lists* published annually by it reported that there were 413 such bodies as of November, 2005, compared with 238 in 1990, 142 in 1976 and 67 in 1962. A total of more than 5,300 citizens of Hong Kong have been appointed to these bodies as unofficial members (*Chief Executive's Policy Address, 2000*). They discharge a wide range of various public functions and activities delegated by the government. For lack of a better term, we loosely label them “para-government bodies/organizations” (PGOs) which, in the words of Christopher Hood and Gunnar Folke Schuppert (1988), are all types of organizations other than core public bureaucracies or civil service being used to provide public services.

These para-government bodies are of two types: statutory and non-statutory. The former are established in accordance with provisions in their respective statutes (ordinances and regulations) and carry out statutory duties. Non-statutory bodies are created or appointed by the administration and their duties are prescribed by the terms of reference set by officials. To exemplify, the Trade and Industry Advisory Board, with terms of reference to advise the Sec-

retary for Commerce, Industry and Technology on matters affecting Hong Kong's trade and industry, is composed of twenty-two unofficial members, all of them important figures of the trade and industrial sectors of Hong Kong. The statutory Insurance Advisory Committee is established under Section 54 of the Insurance Companies Ordinance. Its function is to advise the Chief Executive on matters relating to the administration of the ordinance and the carrying out of insurance business in Hong Kong. It is chaired by the Secretary for Financial Services and the Treasury and comprises twelve unofficial members appointed by the Chief Executive from the industry.

As to the Economic and Employment Council mentioned above, it is a top advisory body formed in the most recent period and chaired by the Financial Secretary for the development and implementation of policies and initiatives to promote economic activities, encourage industrial investment, facilitate business and engender employment opportunities. All important economic and labour issues will be discussed in this body. It comprises as many as thirty-three unofficial members. By profession, they include eleven legislators (Legco members) and three university professors, while the rest are either leading businessmen, industrialists or bankers. By political orientations, a great majority of them belong to the pro-business lobby, only four of them cherishing a clear anti-business stance.

The professed aim of government is that membership of these para-government bodies should be drawn from a wide range of persons from different sectors of the community. But there is tremendous overlap in membership, with many top non-officials serving on several committees. Moreover, as illustrated above, many of the unofficial members are drawn from the financial, industrial and commercial circles and the various professions that service these interests. A number of studies made before the handover on the composition of the non-officials of the two Councils - as well as these para-government bodies- have revealed that they were dominated by a generally cohesive and homogeneous elite representing business interests through overlapping membership. (Davies, 1977 & 1989; Rear, 1971; Miners, 1978; Lau, 1982) The situation remains more or less the same after 1997.

Conclusion

This study has shown that taken together, the institutional participation of business through the corporatist, pluralist and consultative modes, i.e., a triple model of GBR, dwelt on above has put the business sector in Hong Kong in an advantageous position. Various business interests can be secured under this institutional arrangement. Apart from that, the power of business is also assured in specific terms by *the Basic Law* and the method of selection of the Chief Executive it prescribes.

The Basic Law specifies that the Hong Kong SAR shall follow the principle of keeping expenditure within the limits of revenues in drawing up its budget, and strive to achieve a fiscal

balance, avoid deficits and keep the budget commensurate with the growth of its gross domestic product (Article 107). It shall adopt the low tax policy previously pursued in Hong Kong and maintain the status of a free port and shall not impose any tariffs.(Article 108 and 114) The anti-business camp has for many years called for the unlimited expansion of welfare services. This may mean the need for an inflated budget and a change of the low tax policy, such as the introduction of a progressive profit and income tax system, to meet the expenses. These demands certainly cannot be accepted by the business sector. But there is little likelihood that these will happen as they are against *the Basic Law*, the constitution for Hong Kong.

A second way of protecting the business interests as enshrined in *the Basic Law* is the method of selection of the Chief Executive prescribed by it, which tends to return candidates with a business background or with a pro-business attitude. It stipulates that the Chief Executive shall be elected by an Election Committee which is composed of 800 members (it was 400 for the first Chief Executive) from various sectors. Based on the delimitation of the sectors, more than half of the Election Committee members returned will be from people with a pro-business stance. In other words, in normal circumstances, the Chief Executive elected will most likely be one cherishing a pro-business political orientation. Both Tung Chee Hwa and Donald Tsang are good examples.

To draw a configuration of GBR in Hong Kong in the period under study, a graphical image as presented by Figure 5 is presecuted (adapted from Birdzell, 1975).

Fig. 5 A Configuration of GBR in Hong Kong after 1997.

Characteri- zation of Relationship	Intensity of Characterization				
	Substantially Absent	Perceptibly Present	Strongly Present	Dominant	Overwhelming
Symbiotic				*	
Supportive					*
Retardant	*				
Protective			*		
Exploitive		*			
Adversary	*				

In short, GBR in Hong Kong has been thus far remarkably cordial and co-operative, a continuation of the trend that existed before the handover.

In April, 2004, the central government of China ruled against the election of the Chief Executive and Legco by universal suffrage in 2007 and 2008. Later, in December, 2005, the scheme of political reform submitted by the SAR government was rejected by Legco. This means that the present method for the selection of the Chief Executive by an Election Committee and for the formation of Legco by members returned by functional constituencies and

geographical constituencies, i.e., the corporatist and pluralist modes of interest representation by our parlance, and the procedures for voting on bills and motions in Legco, will remain unchanged in the foreseeable future. In other words, the pattern of GBR shaped by the present political system of Hong Kong can continue, despite the increasing pressure mounting from the anti-business lobby over the years.

Notes

1. For the membership lists of various terms of Legco, see *Legislative Council*, available at <http://www.info.gov.hk>, accessed 1 March, 2006.
2. For the membership lists and terms of reference of the advisory bodies, see *The Civil and Miscellaneous List*, available at <http://www.info.gov.hk>, accessed 1 March, 2006.
3. The scheme of political reform drafted in accordance with the Fifth Report of same has provided for the expansion of the size and voting base of the Election Committee for choosing the Chief Executive, and the increase of the number of Legco seats with a broadened franchise of the functional constituencies. See *Sun Daily*, 22 December, 2005.

References

1. *Annual Report, 2003-2004, CMA*.
2. Birdzell, L. Earle. (1975). Business and Government: The Walls Between. In Neil H. Jacoby (ed.), *The Business-Government Relationship: A Reassessment*. Santa Monica, Cal.: Goodyear (p.31).
3. *Chief Executive's Policy Address, 2000*, available at <http://www.info.gov.hk>, accessed 1 March, 2006, para. 121.
4. *The Civil and Miscellaneous List*, available at <http://www.info.gov.hk>, accessed 1 March, 2006.
5. Coombes, David. (1982). *Representative Government and Economic Power*. London: Heinemann (pp. 148-154).
6. Davies, S.N.G. (1977). One Brand of Politics Rekindled. *Hong Kong Law Journal*, Vol.7, No.1 (pp. 44-48).
7. Davies, S.N.G. (1989). The Changing Nature of Representation in Hong Kong Politics. In Kathleen Cheek-Milby & Miron Mushkat (eds.), *Hong Kong: The Challenge of Transformation*. Centre of Asian Studies, University of Hong Kong, (pp. 36-76).
8. Executive Council, available at <http://www.info.gov.hk>, accessed 1 March, 2006.
9. Griffiths, A. Phillips, & Richard Wolheim. (1968). How Can One Person Represent Another?. *Proceedings of the Aristotelian Society*, 1968.
10. Harris, Peter. (1978). *Hong Kong: A Study in Bureaucratic Politics* (pp33-34). Hong Kong: Heinemann Educational Books.
11. Hood, Christopher, & Gunnar Folke Schuppert (eds.). (1988). *Delivering Public Services in Western Europe: Sharing Western European Experience of Para-government Organization*. London: Sage.
12. King, Yeo-chi Ambrose.(1975). The Administrative Absorption of Politics in Hong Kong. *Asian Survey*, Vol. 15, No. 5 (pp. 422-439).
13. Lau Siu-kai. (1982). *Society and Politics in Hong Kong* (pp 1-23). Hong Kong: The Chinese University Press.
14. *Legislative Council (Electoral Provisions) Ordinance*, Hong Kong.
15. Lindblom, Charles E.(1977). *Politics and Markets: The World's Political Economic Systems* (pp170-233). New York: Basic Books.
16. Miners, N.J.(1978). *The Government and Politics of Hong Kong* (pp143-145) Hong Kong: OUP.
17. Rear, John. (1971). One Brand of Politics. In Keith Hopkins (ed.), *Hong Kong: The Industrial Colony*. Hong Kong: OUP.
18. Saward, Michael. (1990). Co-optation and Power: Who Gets What from Formal Incorporation. *Political Studies*, April, 1990, (pp. 590-602).

19. Schmitter, Philippe C. (1979). Still the Century of Corporatism?. In Philippe C. Schmitter & Gerhard Lehmbruch (eds.), *Trends Toward Corporatist Intermediation*. London: Sage.
20. Scott, Ian. (1989). *Political Change and the Crisis of Legitimacy in Hong Kong* (pp268-273). Hong Kong: OUP.
21. Selznick, Philip. (1966). *TVA and the Grass Roots: A Study in the Sociology of Formal Organization* (pp13-16, 259-261). New York: Harper & Row.
22. Wilks, Stephen, & Maurice Wright (eds.). (1987). *Comparative Government Industry Relations: Western Europe, the United States, and Japan*. Oxford: Clarendon.
23. Wong, Cham Li. (1996). *Government-Business Relations in Hong Kong, 1945-1993*. Unpublished Ph.D. thesis, University of Hong Kong.

香港 1997 年後的政商關係：一個三維範型分析

黃湛利

摘要：本文提出香港97年回歸後政商關係三種互動模式：社團主義模式、直選或多元模式、及委任或諮詢模式。在宏觀層面，立法會的功能團體選舉屬社團主義模式；由分區直接選舉選出來的議員則屬直選或多元模式；而委任非官守成員到行政會議則代表著委任或諮詢模式。親商派、獨立派及建制派議員或成員在立法會及行政會議的數目分佈一直多於反商派，這使商界自回歸以來迄今都處於優越地位，其利益在現行政治及行政架構下得到充分保障。

關鍵詞：社團主義模式 直選或多元模式 委任或諮詢模式