

Youde: architect.

SOUTH CHINA MORNING POST

A gap at the top

In many political situations, the sudden death of a major participant could alter the whole equation. It is symptomatic of the one-sidedness of the Sino-British relationship that the sudden death in Peking of Hongkong Governor Sir Edward Youde is unlikely to have a major impact on the working out of the Basic Law for the future Hongkong Special Administrative Region (SAR), which has reached a crucial stage.

However, political evolution in Hongkong itself and British interpretation of the Sino-British agreement on Hongkong may well still have some influence on the Basic Law, so the matter

of who is the next governor is not academic.

It says something about the lopsided situation that Hongkong, the fate of which was decided by the joint declaration signed in December 1984, was not a party to those negotiations, and Youde, one of the architects of the joint declaration, only attended in an unofficial capacity as part of the British party.

And the same lack of influence is clear in the working out of the Basic Law. For though the Basic Law Drafting Committee (BLDC) has Hongkong members, not only are they in the minority compared with those from

Many details are still to come but the framework is in place

The law takes shape

By Emily Lau in Peking



Substantial details of the Basic Law emerged at the third plenary session of the BLDC held in Peking from 29 November to 2 December. A first draft of the law will be published in 1988 and the final draft will be promulgated by the Chinese National People's Congress (NPC), which has to approve it, in 1990.

The third plenary session, chaired by state councillor and head of the Hongkong Macau Affairs Office, Ji Pengfei, received reports from five subgroups. They dealt with the relationship between the central government and the SAR; rights and duties of Hongkong residents; the political system; the economy; education, science, technology, culture, sports and religion. Discussions were held on the first two subgroups' reports.

Much of the content was based on the Sino-British joint declaration. Hongkong BLDC member Louis Cha, publisher of the Chinese-language daily *Ming Pao*, said rapid progress had been made since the second BLDC plenary session in April.

During previous BLDC subgroups meetings, arguments had arisen over grey areas in the accord concerning the political structure and conflicts between Chinese and Hongkong laws. Among the unresolved issues the most controversial ones are how to select the SAR chief executive who will replace the governor; should there be direct elections to the legislature; what Chinese laws

and which parts of the Chinese Constitution would apply to the SAR, and the right to interpret the Basic Law.

The formation of political parties, the question of nationality and the political rights of SAR residents also require further clarifications. One of the most crucial matters — the role of the Chinese Communist Party (CCP) in the Basic Law, said BLDC secretary-general Li Hou. Li said the CCP has always existed in Hongkong but it did not openly operate as a political party.

Details of the Basic Law which have emerged so far look like the joint declaration minus all the frills and ambiguities. In 1984 the Hongkong people were told the SAR would be administered by "local inhabitants" and would enjoy "a high degree of autonomy." The chief executive would be selected by "election or through consultations held locally." Peking would appoint the chief executive and principal officials nominated by him. The executive would be accountable to the legislature, which would be "constituted by elections."

There were no clear definitions of "a high degree of autonomy," "local inhabitants" or "accountable." However, it was made clear that Peking had the power of veto over the appointment of the chief executive, who would have substantial power and would be accountable to the Peking government as well as to the SAR. Although the method for selecting the chief executive has not yet been decided, Chinese officials have indicated they preferred selection by a grand electoral college of

several hundred worthies, with the candidates nominated by a special body to ensure acceptability.

The political subgroup proposed the SAR political system should be based on the concept of the separation of the powers of the executive and legislature, as in the US system, with checks and balances between the executive and the legislature and an independent judiciary. A final court of appeal would be set up in Hongkong. The powers of the chief executive would be to lead and represent the SAR government; nominate principal officials who would be appointed by Peking; sign and publish laws; appoint and dismiss civil servants and judges, and handle foreign affairs delegated by the central government. The chief executive's term of office would be four or five years and could be extended once.

The powers of the legislature, the subgroup initially proposed, would be to enact laws; approve the budget, taxation proposal and public expenditure; receive the executive's policy report and question government departments; receive complaints from residents, and impeach the chief executive in case of serious illegality or gross misconduct. Such an impeachment would require a two-thirds majority.

One of the most sensitive and controversial issues is the question of direct elections to the legislature, because the decision would affect the Hongkong Government's political review in 1987 and the possibility of having direct elections in 1988. Chinese and British offi-

China, they were all chosen by Peking. The death of Youde has added one more element of uncertainty to the existing nervousness over the future, largely hinging on whether the Basic Law will, as it is supposed to, provide Hongkong with a large measure of autonomy from Peking and protect the right of the people to carry on living as they do.

Officially, Youde was in the Chinese capital with a trade mission from Hongkong, but had held talks on the political future of Hongkong with Chinese Deputy Foreign Minister Zhou Nan the night before he died. Since he had recently visited London, it is assumed he was relating Britain's latest thoughts on outstanding issues, including the political review to be carried out in 1987 and the political reforms likely to flow from it in 1988, though no details of these talks are known.



Flashback to Sino-British negotiations, 1983.

Officials have held numerous discussions in the past few months. It is understood Britain will only proceed if Peking gives the green light. The Chinese have said they are not against direct elections, but believe the political system should be decided by the Basic Law, hence the emphasis on "convergence" between political reforms and the Basic Law. No fundamental changes will be made without Peking's assent.

Hongkong BLDC members are split into two camps on the issue, as on many others, with the majority opposing direct elections, and at most only wanting to see a small percentage of directly elected seats with nominations of candidates tightly controlled. The split within the BLDC reflected a similar difference of opinion in the community and within the Basic Law Consultative Committee (BLCC), a 180-member body set up to collect and collate Hongkong public opinion on the Basic Law.

In what is seen by some Hongkong members as a delaying tactic, the BLDC has decided not to discuss the political subgroup report until next August, several months after the Hongkong Government's green paper — consultative document — on political reforms has been published.

While attention is focused almost exclusively on direct elections, questions on the powers of the chief executive and the legislature and the relationship between the two were settled without much dispute. A Chinese source said "Hongkong run by Hongkong people" meant Hongkong run by civil servants. But there was little attempt to discuss to whom the civil service would be answerable, and whether principal officials would be civil servants or political appointees.

The BLDC subgroup report on the relationship between the SAR and central government said the SAR will be directly under the central government,

which will be responsible for the SAR's foreign affairs and defence. China has the right — which it has said it will exercise — to station troops in the SAR but they will not interfere with internal affairs and will obey SAR laws. Defence costs will be borne by Peking.

The power to interpret the Basic Law belongs to the NPC standing committee and most members agreed the NPC has the power to scrutinise SAR laws to see if they contravene the Basic Law, though a minority of Hongkong members argued that such matters should be decided by the SAR courts.

One of the dissenters, Martin Lee, a lawyer, was concerned that the drafting process was being rushed unnecessarily: "Many Hongkong people can't keep track with developments and are left way behind, including members of the BLCC," he said.

There is also disagreement on the relationship between the Chinese Constitution and the Basic Law. The subgroup proposed that the whole of China's constitution should have effect in the SAR but parts related to socialism would not be applied. Lee has suggested articles of the Chinese Constitution which apply to Hongkong should be listed clearly.

During the meeting, mainland member Wu Jianfan, a legal expert, raised the spectre of Chinese laws being applied to Hongkong, such as the nationality law, and laws on defence and foreign affairs. He said this should be decided by the NPC standing committee. This is seen by some Hongkong

people as the thin end of the wedge and casts a shadow over the "one-country, two-systems" concept.

As for amendments to the Basic Law, the subgroup proposed that the State Council, the NPC standing committee and the SAR should all have rights to amend it. It agreed that basic principles such as a high degree of autonomy and the preservation of a capitalist lifestyle for 50 years after 1997 could not be amended.

The economy subgroup proposed that the relevant sections in the joint declaration dealing with the economy be adopted. It also proposed the SAR's revenue and expenditure should be based on the principle of a balanced budget. There should be an independent, low taxation policy. It proposed a free and open monetary system and policy: the SAR would continue to be an international financial centre; circulation and issuance of the Hongkong dollar would continue; there would be no exchange control, and markets for foreign exchanges, gold, securities and futures would remain open.

There would be continued emphasis on free trade, with the maintenance of a free port, separate customs territory, exclusive rights to quotas, tariff preferences and other similar arrangements, and the issuance of certificates of origin of products. The subgroup proposed the SAR government should create conditions for the development of manufacturing industries and real estate. It also recommended a completely free policy on commerce and appropriate policy to promote and develop tourism. A policy on agriculture and fisheries would also be devised.

As for shipping and civil aviation management, the subgroup said the joint declaration had provided adequate details. Since talks were going on in the Sino-British Joint Liaison Group, the group proposed to wait until

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they had been concluded so as to ensure "convergence."

The residents' rights and duties subgroup listed a number of rights and freedoms such as freedom of the press, speech and association, and to join trade unions, strike and demonstrate. The subgroup proposed that all Hongkong residents, regardless of nationality, race, sex, profession, religion, education or wealth, should be equal before the law. Lawyer Liu Yiu-chu said the wording of the report was very similar to the Chinese Constitution. She warned that such "unconscious modelling" of the Basic Law on the Chinese Constitution could jeopardise the one-country, two-systems experiment, ending in "one-country, one-system."

The subgroup report repeated the six

categories of people outlined in the joint declaration who will have the right of abode in the SAR. These include Chinese nationals born in Hongkong or have resided in Hongkong for seven years continuously and their children; people who have lived in Hongkong for seven years and their children who are under 21 and born in Hongkong, and those who have no right of abode elsewhere before 1997.

The question of nationality was raised in connection with the right to vote and to stand for elections. It was originally decided that all permanent residents — those who have lived in Hongkong for seven years — would be defined as "local inhabitants" and would enjoy political rights. But Hong-

kong members Justice Simon Li and Liu said non-Chinese nationals should not be given the right to vote.

The nationality of Hongkong Chinese who hold foreign passports is also undecided. Given that more than half a dozen Hongkong BLDC members hold foreign passports, the subject is close to their hearts. Under the Chinese nationality law, all Hongkong Chinese are Chinese nationals. The law does not recognise dual nationality and specifies that only Chinese nationals who are close relatives of foreigners living abroad or have other valid reasons can apply to give up their Chinese nationality.

Eighteen months after the appointment of the BLDC, the drafting process is shifting into higher gear. Ji said 1987

Unequal voices



The aim of the Hongkong Basic Law, a mini-constitution for the Hongkong Special Administrative Region (SAR) when the territory reverts to Chinese sovereignty in 1997, was supposed to be to ensure that the SAR enjoys the "high degree of autonomy" promised in the Sino-British joint declaration, preserve prosperity and stability and ultimately lead to the success of the "one-country, two systems" experiment, brainchild of China's elder statesman Deng Xiaoping.

One-and-a-half years into the drafting process, it appears that the approaches and tactics adopted by China, Britain and Hongkong may not bring about the desired results. The drafting process is dominated by China's mistrust of Britain and of the Hongkong people, including those handpicked by Peking to help with the drafting. The promised autonomy is, therefore, in doubt.

From the outset, China has claimed that the drafting of the law was "Chinese business." This was despite an undertaking by Britain and China that the policies for the SAR outlined in the joint declaration would be stipulated in the Basic Law. In excluding Britain from the drafting process, China has secured the sole right to interpret the joint declaration. This is particularly significant when dealing with controversial grey areas such as elections, accountability, autonomy and the power to interpret and amend the Basic Law.

In the Peking-appointed 58-member Basic Law Drafting Committee (BLDC), 23 are Hongkong people. Of these, the only person privy to some of the negotiations leading up to the joint declaration is Executive Council (Exco)



The first meeting of the BLDC in Peking.

and Legislative Council (Legco) member Maria Tam. Many of the mainland BLDC members — including Deputy Foreign Minister Zhou Nan, Li Hou and Lu Ping of the Hongkong Macau Affairs Office — have taken part in the Hongkong talks and do not hesitate to use that advantage to try to impose their interpretations of the joint declaration. Furthermore, some mainland members are seasoned international negotiators and are serviced by experts from the Chinese Foreign Ministry and the Hongkong Macau Affairs Office. Pitted against them, the Hongkong members look uninformed and unprepared.

The Hongkong members, with their divergent backgrounds and lack of knowledge on constitutional laws, were selected mainly as a show case for consulting Hongkong people. They were supposed to be ceremonial appointments and were hardly expected to take issue with Peking. Therefore, the communists were surprised when the Hongkong side became clearly factionalised, with Martin Lee QC, a former chairman

of the Hongkong Bar Association and a Legco councillor, emerging as a strident critic.

Neither did they expect Louis Cha, publisher of Hongkong's influential Chinese-language daily newspaper *Ming Pao* and an ardent supporter of Deng, to come round to supporting direct elections following his strong opposition to China's decision to go ahead with the Daya Bay nuclear-power plant near the Hongkong border, despite expression of grave misgivings by Hongkong people.

The Chinese are also unhappy with the unpredictable criticism from Liu Yiu-chu, a supposedly pro-Peking lawyer. Liu was branded "the unguided missile" by an official of China's official Xinhua newsagency — Peking's representatives in Hongkong — because the communists do not know which side she may attack next.

Despite such minor irritations, the Chinese are in full control of the drafting process, and dissenting voices from a few can be diluted or ignored. The Chinese will continue to capitalise on

would be a crucial year for the Basic Law and no doubt most of the unresolved issues would be settled. Although Chinese officials have said that until promulgation, the draft Basic Law could be changed at any time, many Hongkong members of the committee believe that once the Chinese have come to a conclusion, it would be pretty difficult to make them change their minds.

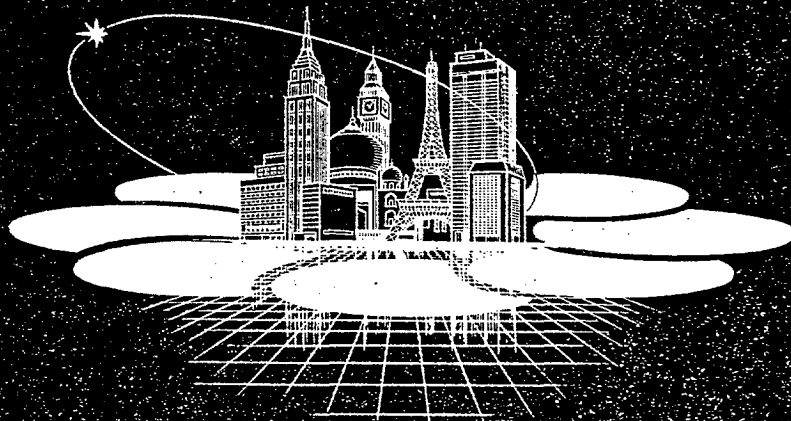
Few Hongkong BLDC members believe the Basic Law could help to reinforce long-term confidence, but said it is better than nothing. All agreed that ultimately it depends on the conduct of the Chinese Government in demonstrating that its Hongkong policy is durable and that it is sincere in giving the SAR an autonomous, separate existence. **R**

the division among Hongkong members and eventually emerge as the mediator. The editor of a famous Chinese-language magazine has said the communists are using Hongkong people to counter Hongkong people. When both sides are exhausted, they will emerge to impose their solution.

Since the signing of the joint declaration, Britain has adopted a policy of quiet diplomacy and non-confrontation. It has concluded that to be the most effective way of handling China. To many observers, it appears that Hongkong is a closed case as far as Britain is concerned. The only thing left for it to do is to preside over 11 years of transition and try to hand over a prosperous and stable Hongkong to Peking in 1997. But in the wider context, the British Government has to look after Sino-British relations, which may yield political and economic gains.

But despite little evidence of it, a Hongkong Government source maintains that Britain is doing "a great deal" behind the scenes to influence the drafting of the Basic Law. One specific on which Britain has expressed itself, it is said, is on the "nonsense" proposed in the BLDC economic subgroup — a reference to the suggestion by Hongkong BLDC and Legco member Wong Poyan that the SAR government expenditure should be tied to a fixed percentage of the gross domestic product.

On the development of the constitutional structure, the source said, the British have tried to persuade the Chinese to move away from the concept of separation of powers which they do not think suitable for Hongkong, and to accept some overlapping of powers between the executive and the legislature, as is the case at present. And though neither Britain nor the Hongkong Government has taken a public stand, the British are said to have told the Chinese that the issue of direct elections to the legislative assembly "cannot be ducked." The source said China



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would prefer not to have direct elections in 1988, but would not openly object if they are held.

Tam said the British Government has a duty to speak out if they detect signs that the drafting of the Basic Law is not in line with the letter and the spirit of the joint declaration. So far, in her opinion, it has not been necessary. Tam said Britain's participation in the Sino-British Joint Liaison Group, a diplomatic body to consult on implementation of the joint declaration will have significant effect on the Basic Law.

Lee feels Britain can be more effective in securing the territory's interests than the Hongkong BLDC members because it can talk to Peking on a country-to-country level. However, he said Britain has become too accommodating on too many things and has lost the incentive to argue with China over Hongkong, which they have agreed to hand back. No matter what, he said, London has a duty to see that China understands the full implementation of the joint declaration is to give Hongkong a high degree of autonomy and that is also in China's interest.

Another Hongkong BLDC member, with business ties in China, who preferred not to be identified, said the Hongkong Government had originally refused to get involved in the drafting process, but changed its mind recently. He said Attorney-General Michael Thomas is his "liaison man" and has put the resources of the legal department at his disposal. It is understood the government has also offered similar assistance to other Hongkong BLDC members.

This member said he welcomed the assistance and found the government's analyses and information very useful. He said China does not trust the British, assuming them to be always looking out for their own interests. Therefore, sometimes even if they have good suggestions, Peking does not listen. But if the same ideas come from Hongkong people, the Chinese might be more receptive.

However, he admitted that though the mainland BLDC members claimed that China and Hongkong are one big family, there is clearly an "us and them" attitude. The Chinese do not understand Hongkong and are afraid of being tricked, he said. They are unwilling to devolve power because they are worried that Hongkong may "rebel."

To compound this situation, some Hongkong members tend to be over-eager to protect China's sovereignty. The tendency to be "more Chinese than the Chinese" is rapidly gaining currency in Hongkong and within the BLDC. Cha believes some of his Hongkong colleagues are too sensitive about Chinese sovereignty and tend to protect China's interest more than Hongkong's.

— Emily Lau



A sense of loss for the quiet bureaucrat

By Derek Davies in Hongkong



The main criticism of the late Sir Edward Youde as governor was that he failed to give the community of Hongkong leadership or a sense of political direction over the years during which its future was essentially being decided by Peking and London. Ironically his sudden death has left the community feeling even more leaderless and vulnerable.

The shock of his death was compounded by the impending retirement of the Chief Secretary Sir David Akers-Jones and the promotion to London (shortly to be announced) of Political Adviser John Boyd. Thus Hongkong has lost or is losing three of the top men whose chief duty was to represent Hongkong's interests in the Basic Law negotiations and in relations with both Peking and London. Although many doubted the effectiveness with which the case for Hongkong's high degree of post-1997 autonomy was argued, the three men boasted a long and detailed mastery of the many, often complicated, issues at stake.

Welsh-born Youde's connections with China had deep roots. He played a dramatic role in Sino-British relations when he was a 25-year-old junior attaché at the British Embassy in Nanjing in 1949 during the last stages of the Chinese civil war. Communist forces had trapped and fired on a British warship, HMS Amethyst, 160 miles up the Yangtse river. Being able to speak Mandarin, Youde was sent on a dangerous lone bicycle trek through communist lines to try to negotiate the ship's safety. The success of the mission played a part

in preserving Britain's relations with the future communist government and Youde earned Chinese respect as well as a British medal.

As ambassador in Peking, which he became in 1974, Youde emphasised good order and correctness in all embassy matters, but he could hardly be called a popular ambassador at the beginning. One of his first acts was to cancel the weekly poolside gambling night with which bored diplomats enlivened their evenings. There were grumbles that he had difficulty in delegating authority, and was too much of a stickler for the rules. However, he also showed humane concern for any of his people who had problems, and his wife, who is also a Chinese scholar, was universally liked.

The genuine sense of loss felt by the community over Youde's death was evident in the large numbers of ordinary people who queued to register their sorrow. The man had died in harness, working for Hongkong's future; the No. 1 expatriate who would not leave, before or after 1997. The sense of loss, however, was hardly a personal one: Youde was a quiet, somewhat anonymous bureaucrat who was evidently ill at ease when faced either with the task of communicating to or mixing with the community at large, and restricted most of his social contacts to his colleagues in government and the rest of the Hongkong establishment.

During the years leading up to the signing of the joint Sino-British declaration, Youde was bound by the confidentiality demanded by British Prime Minister Margaret Thatcher, and could do little more in public than continue to claim that the talks were prov-

ing productive and useful and that they were aimed at ensuring Hongkong's "stability and prosperity."

His colleagues' assurances that once the agreement was signed a newly communicative and outgoing governor would emerge proved illusory. In the two years since the agreement Youde has had little to say about the main issues confronting Hongkong. His reticence encouraged the suspicion that the negotiations associated with the drafting of the Basic Law which will enshrine Hongkong's degree of autonomy in China's constitution were going as stickily as had the negotiations which resulted in the joint declaration.

These suspicions were stiffened by various Chinese statements on the matter and by China's evident unwillingness to give way on such vital matters as the election/selection of the Hongkong SAR's chief executive; the accountability of the executive to the elected legislature, how that legislature would be

elected and Peking's right to final interpretation of the decisions of Hongkong's Court of Last Appeal.

Youde wanted a Hongkong consensus, but did not appear to want a consensus hammered out in terms of public debate. His was not among the voices urging the community to make known their views, as it became apparent that they diverged widely between those who equated freedom and autonomy with democracy and a strict guarantee of the British legal system on the one hand and those who felt Hongkong should be ruled by a dictatorship either of mandarins or of businessmen.

As Lord Kadoorie, head of China Light & Power, wrote recently: "Unfortunately, there are those who choose to ignore that Hongkong is not and never has been an independent country. . . It is foolhardy at this critical period to change the system. . . Democracy is a Western ideal. . . in itself dis-

ruptive. Direct elections tend to lead to confrontational policies."

Youde's response was a reiteration of his desire that the boat should not be rocked, a confirmation of the view that Hongkong's past progress "was not built on conflict and turbulence" and that "a constant search for consensus was needed."

It remained unclear however who would search for the consensus and how it would be recognised as one when discovered without some improvements in the mechanisms to ascertain the majority view. In recent years the nearest Hongkong has reached to a consensus was the widespread doubts expressed about the Kadoorie-backed plans to build a nuclear generator at Daya Bay, just north of Hongkong. It would be certainly difficult to establish a consensus of those appointed or elected to Hongkong's various ruling councils, many of whose members have dramatically retreated from the views

The Peking machine carries all before it



Neither the Chinese nor the Hongkong members of the Basic Law Drafting Committee (BLDC) form a solid group. Some of the Hongkong members — all appointed by Peking — are people with clear pro-Peking affiliations, with a preponderance of businessmen and industrialists and a handful of professionals.

But a Hongkong BLDC member said that though Peking has total control it would be wrong to think the mainland BLDC members are a monolithic group. The 35 mainland members can be divided into three categories: Chinese officials from the Hongkong Macau Affairs Office, the Foreign Ministry and Xinhua newsagency Hongkong branch; academics and experts and public figures. Due to limited exposure to the outside world and to Hongkong affairs, those from the latter two groups have little to say.

Power is concentrated in the hands of the officials but they come from different camps with different power bases. Xinhua is believed to be answerable to the Chinese Communist Party Central Secretariat, directly under party General Secretary Hu Yaobang. The Hongkong Macau Affairs Office and the Foreign Ministry are under the State Council, which is the domain of Premier Zhao Ziyang.

When it comes to devolving power to Hongkong, the BLDC member said, Xinhua officials want to keep a tighter rein on things because of their vested in-

terests as the official representatives of Peking in the territory. During the transition period, Xinhua will play an increasingly important role. In contrast, officials from the Hongkong Macau Affairs Office, because they are more detached, may be prepared to take a more open and liberal view. No matter what differences there may be, however, the member said, the mainland BLDC members settle them behind the scenes and do not disagree in public as the Hongkong members do.

The Hongkong BLDC members' open disagreements on fundamental issues such as direct elections and ways to select the chief executive have aroused concern among some Hongkong people, who fear the squabbling may undermine efforts to secure Hongkong interests in the Basic Law.

Although there are 23 Hongkong members, it is a striking fact that only a handful are prepared to speak publicly, and most of them are the "dissident" members, including Martin Lee, Louis Cha, and Szeto Wah, a legislative councillor and president of the Hongkong Professional Teachers' Union. Just about the only thing Hongkong BLDC members have in common are doubts about how long the present Chinese leadership will stay in power and whether Peking will, in the end, allow Hongkong to maintain its present system and lifestyle after 1997.

According to Szeto, disagreements are inevitable because members come from different backgrounds and represent different points of view and China does not encourage them to get together



Lee: 'dissident.'

PHOTOS: SOUTH CHINA MORNING POST

to improve understanding. "The Chinese do not want to see the BLDC divided into two groups: those from the mainland and those from Hongkong," Szeto said.

Another vocal Hongkong member — though much more an establishment figure than a rebel — is Maria Tam, who is also concerned about the lack of consensus. If the Hongkong people do not develop "mainstream views" on controversial political issues, they will have their fate decided by Chinese officials, she believes. But if Hongkong does manage to get its act together, she is optimistic that Peking will listen.

A Hongkong Government source said the government was generally disappointed with the performance of the Hongkong BLDC members, who showed a lack of understanding of how things work in Hongkong. "Some BLDC members are mesmerised by the

they) were expressing two years ago.

If Youde failed to provide any public leadership or charisma, those who worked closely with him were loud in their praises of his clarity of mind, his admirable performance on paper, his chairmanship of committees and the quiet tenaciousness of his diplomacy. His death brought him closest to Hongkong, for it was undoubtedly due to hard work, the community's chief characteristic. The burden of the incessant negotiations leading up to and following the joint agreement and the more than 80 journeys between Hongkong, London and Peking which these necessitated evidently proved too much for a heart which had undergone massive surgery before he took up his appointment.

Perhaps only members of his family know the extent to which frustration also played a part. Youde had to remain silent while the negotiations were on

and was forced also to guard his words over the past two years: any statement he made which implied that Hongkong's interests in any way diverged from those of London or Peking would have done much to damage the confidence he repeatedly stressed was essential.

Hongkong is now busy speculating about the identity of his successor. The appointment of former political adviser Dr David Wilson, would necessitate finding a replacement as chief British delegate to the Joint Liaison Group (just as the less likely appointment of Sir Richard Evans would require another British ambassador to Peking). Sir Percy Cradock, 63, former British ambassador to Peking and special foreign adviser to the prime minister might be persuaded to fill in the two years Youde was due to have served, allowing more youthful contenders to gain needed seniority. The only other obvious candidate would be the current British Am-

bassador to Indonesia, another former political adviser, Alan Donald. London and Hongkong bureaucrats remain unimpressed by the idea, first mooted by the REVIEW of the symbolic advantages of appointing the Prince of Wales.

The Hongkong view, conveyed to London, stressed that the Foreign Office men in place possessed sufficient experience of China plus knowledge of the state of negotiations. They stressed, therefore, the need to find a new governor who could first and foremost administer the modern city of Hongkong.

In Hongkong's present situation, it will be impossible to find a man or woman sufficiently senior and qualified for the job who will be able to put an end to Hongkong's doubts about where the governor's first loyalties lie — to the 5 million people who face the challenge of 1997 or to the evident desire of both London and Peking to avoid taking stands which will obstruct the negotiating and drafting processes. ■



Tam: 'establishment.'

A senior government official felt that it was a mistake to have two Hongkong High Court judges — Simon Li and Yang Ti-liang — taking part in drafting the law, which was "an intensely political exercise."

On several occasions mainland BLDC members had to remind Hongkong members that their proposals were in breach of the joint declaration. One was a suggestion that the renminbi should circulate in the SAR. The government source said that showed a failure to grasp the main points of the joint declaration. Another was Legislative Councillor Wong Po-yan's suggestion that SAR government expenditure should be limited to between 15 and 20% of the gross domestic product, a proposal prompted by fear of elected politicians squandering taxpayers' money to curry favour with the electorate. Mainland member Yong Longgui, a co-convenor of the BLDC economic subgroup, said Hongkong Financial Secretary Piers Jacobs had expressed concern to him. Yong and other mainland members did not share Wong's views because it would undermine the SAR's autonomy on economic affairs, he said.

Examples of ignorance about the joint declaration abound. Shortly after his appointment to the BLDC last year, Rayson Huang, former vice-chancellor of Hongkong University, said Hongkong should not have elections to the Legislative Council after 1997. He was obviously unaware of the joint declaration's stipulation that the SAR legislature "shall be constituted by elections." Huang is the co-convenor of the BLDC subgroup on the relationship between the SAR and central government. His failure to understand and grasp the intricate constitutional and political impli-

cations of the discussions was a source of complaints by reporters covering his subgroup meetings. On the other hand, mainland co-convenor Shao Tianren tended to bulldoze his way through the press briefings often not giving accurate answers.

Another suggestion which appalled Chinese officials came from BLDC vice-chairman David Li, chief manager of the Bank of East Asia and nephew of Simon Li, who suggested that after 1997 the Bank of China could act as the SAR's central bank. An official of Xinhua said bluntly the suggestion was in breach of the joint declaration.

Another common phenomenon among many Hongkong BLDC members is the reluctance to openly criticise Peking. Graham Cheng, chairman of Taching Petroleum Co., offered an example of this when he said: "If we rub them the wrong way, we may get nothing." Like Cheng, many members prefer to try to settle differences behind the scene, without embarrassing the Chinese in public. There is a tendency to second guess Peking's intentions and to bend with the wind.

One-and-a-half years after the appointment of the BLDC, the few Hongkong people who bother to follow the Basic Law developments do not have much respect for many of the BLDC members nor much confidence in the process. Many of the Hongkong members do not feel they have to be accountable to the Hongkong public and give the impression they took on the job for personal glorification. A handful of members may be working hard to secure Hongkong's interests but even they disagreed on what is best for Hongkong, and perhaps above all, nobody really believes they will be able to extract concessions which Peking is not prepared to grant.

— Emily Lau