Prospects for Democratization in Hong Kong
A Comparative Perspective
By Larry Diamond

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Ten years after the establishment of the Hong Kong Special Administrative
Region, the great unresolved question about Hong Kong’s future remains the nature of its
political system. And the more specific question in Hong Kong—as in most of the
world’s political systems that are nondemocratic—is whether the society is ready for
democracy, and whether and how it can achieve democracy, even if it is in most cultural,
economic, and social senses more than “ready” for it.

In 2004, the National People’s Congress in Beijing determined that Hong Kong
was “not yet ready” for full democratic government, and on this basis rejected appeals for
full universal suffrage to directly elect the chief executive (CE) in 2007 and the LegCo in
2008. This it had the legal right to do under one interpretation of the Basic Law, which
establishes “selection of the Chief Executive by universal suffrage” (“upon nomination
by a broadly representative nominating committee”) as only an “ultimate aim,” subject to
the “actual situation in the HKSAR” and “in accordance with the principle of gradual and
orderly progress.”¹ My first purpose in writing this paper is to assess the claim that Hong
Kong is “not yet ready” for even this somewhat constrained level of democracy, from the
standpoint of comparative democratic theory. I will show that from that standpoint it is
impossible to find a basis for claiming that Hong Kong is “not yet ready” for democracy,
other than the obvious fact that its desired political evolution into a democracy is liable to
the constitutional veto of a larger political entity that is “not yet ready” to have it become
a democracy—with the subversive implications that larger system fears Hong Kong’s
democratization would generate for the stability of its own authoritarian rule. I will then
go on to weigh the real problem, which is political and therefore concerns the possible
mode of transition and manipulation of the balance of power and fear.

**Is Hong Kong “Ready for Democracy”?**

Since the “Third Wave” of democracy began in 1974, well over 90 countries have
undergone transitions to democracy. Some of these new democracies have broken down,
but most have not. As a result, about 120 states today—or roughly three in every five
independent states—are democracies. This means that they can choose their leaders and
replace their leaders in free, fair, competitive elections, with universal suffrage, and that
those elections confer real power and authority to govern on those parties and individuals
that get elected. It also means that there is sufficient freedom of expression and
organization so that political parties, interests, and movements can compete in a serious
(even if not purely fair) manner in between and in the run-up to elections. It does not
necessarily mean that there is a strong rule of law, effective control of corruption,
genuine checks and balances, sound macro-economic management, and thus good
governance. Electoral democracy can exist (at least for a time) in a context of bad
governance, but it is very hard to get comprehensively good governance, with a genuine
rule of law, in the absence of electoral democracy. Indeed, vertical accountability—the
ability of citizens to speak freely, hold their leaders accountable, and make them
responsive to broad popular preferences—is such an important element of good governance that it is really not possible to get fully good governance without democracy. (Thus even the World Bank Institute identifies political “voice and accountability” as one of its six dimensions of good governance).

There are several ways to look at the question of whether Hong Kong is “ready” for democracy. One way is to look at the conditions that sustain democracy and ask whether there would be a good prospect of sustaining democracy if it were installed. Another way is to examine the political culture of the society—the prevailing attitudes and values—to determine whether there is a strong societal desire for democracy. This can also serve the first approach, since a preponderance of democratic attitudes and values is certainly one highly favorable condition for democracy. A third way is to look at the larger geopolitical context and ask whether power relations outside the system’s control will permit it to become a democracy. It is this third angle that is the most problematic and hence that I will focus on the most, in the context of pondering how Hong Kong might become a democracy.

The Conditions for Democracy

If we examine the principal structural conditions for democracy, the claim that Hong Kong is not intrinsically ready for democracy becomes (from a sociological standpoint) untenable. One of the most durable conditions for democracy, and still one of the better ways of predicting whether a democracy will survive, is the level of economic development. No democracy has ever broken down at a level higher than what Argentina had in 1975—about $9300 (in 2004 Purchasing Power Parity, or PPP, dollars).
Hong Kong’s current per capita income is now about *four times* higher than that—far, far beyond the threshold of economic development that appears to provide immunity from democratic breakdown.\(^2\) In fact, if we look at the broader (and I think more meaningful) indicator of socioeconomic development, the UNDP’s Human Development Index, Hong Kong ranked 22\(^{nd}\) in the world in 2006—just behind the UK, Spain, New Zealand, and Germany, and ahead of Israel, Greece, Singapore, and Korea (Table 1). Hong Kong’s level of socioeconomic development (by this measure) is higher than every one of the new Central and East European democracies that have been admitted into the European Union in this decade, and higher as well than a number of other now stable democracies, including South Korea (hereafter, Korea), Portugal, Chile, Uruguay, and Costa Rica. In all, it has a higher level of development than 100 existing electoral democracies in the world. And it is the richest and most developed society in history that is not governed by an electoral democracy. (Singapore is the only other one that comes close, and from a developmental perspective, it is also an extraordinary anomaly).

Most societies that have experienced transitions to democracy as a result of economic development and the attendant transformation of values and social structure have done so at levels of economic development far below Hong Kong’s today. For example, when Korea made its transition to democracy in 1987, its per capita income (in 2004 PPP dollars) was about $8,500—less than a quarter of Hong Kong’s current per capita gross national income. When their democratic transitions began, Taiwan (in 1987) was a little higher than Korea, and Chile (in 1989) was somewhat lower. When the dictator Francisco Franco died in 1975 and a transition to democracy began, Spain’s per capita income (in 2004 PPP dollars) was $13,000, putting it in the ranks of more
developed countries. But all of these levels of development were much lower (by a factor of several times) than Hong Kong’s. There is no precedent in world history for such a developed society still needing to make a transition to electoral democracy.

It is worth emphasizing other features of contemporary Hong Kong that social scientists would consider highly favorable to democratic success and stability. Hong Kong is not deeply divided along ethnic or identity lines. In fact, the deepest division in the country is a political one, on the question of electoral democracy itself. But political (or economic, that is class) divisions are always easier to negotiate and manage than identity divisions.

In addition to a highly developed economy, Hong Kong also has a strong rule of law and highly developed state structures. Scholars of democratization and political development, going back to Samuel Huntington and forward to Juan Linz and Alfred Stepan, and most recently Francis Fukuyama, have emphasized the importance for democracy of an effective state (including a professional civil service), that is able to control violence, manage the economy, and administer public services efficiently and transparently. By these counts, Hong Kong is one of the readiest systems in the world for democracy. In the latest World Bank Institute (“Governance Matters”) measurements, it ranks in the 89th percentile in terms of political stability, 94th in government effectiveness (in terms of the quality and neutrality of the civil service and the quality of policy formulation), 90th percentile in the rule of law, 93rd in corruption control, and 100th in regulatory quality, meaning, by the methodology of the World Bank, that Hong Kong is the best in the world at formulating “policies and regulations that permit and promote private sector development” (see Table 2). Moreover, as we see in Table 2, Hong Kong’s
relative standing on each of these measures has steadily improved since the initiation of
the SAR in 1997, on some measures quite dramatically. Only on the measure of “voice
and accountability” does Hong Kong lag well behind other societies (especially other
economically developed systems), scoring most recently in the 65th percentile.

Now it is possible to argue that Hong Kong is doing so well because it is not a
democracy, and that introducing electoral democracy will only mess up these exceptional
governance scores. There are three possible rejoinders to this serious objection. First,
this is quite a different argument than the claim—which I believe I have shown here to be
untenable—that Hong Kong is not developmentally ready for democracy. Second, there
is no evidence that governance generally deteriorates following a transition to democracy.
In the systems most similar to Hong Kong in development and culture, Korea and
Taiwan, we see a mixed picture: Since the governance measures began to be compiled in
1996, Korea has generally improved or maintained its scores on the different measures of
governance, under a democratic system, while Taiwan has shown a more uneven pattern
(due in particular to the corruption scandals and political polarization under the DPP
government of President Chen Shui-bian). It is not difficult to imagine opponents of
Hong Kong democratization in Beijing (or in Hong Kong itself) citing the poor record of
Chen Shui-bian’s government, in stimulating Taiwan nationalism, populism, political
division, and instability, as justification for deferring democracy. But in terms of
underlying cleavage structure, Hong Kong is a lot more like Korea than Taiwan, and its
state structures are today much stronger and less politicized than Taiwan’s were under the
one-party rule of the KMT in 1996. More globally, one can point to better rates of
economic growth and patterns of governance in the democracies than the dictatorships of
Africa, and sustained or improved governance in some of Latin America’s emerging democracies, such as Chile, Uruguay, and (to a lesser extent) Mexico over the last decade.

The third response to the intrinsic claim for the superiority of non-democratic rule is that it is really for the people of a society—not its self-appointed (or externally chosen) rulers to decide what kind of political system is best for them, and how to weigh competing values. If there is a risk of diminished governance in some arenas as a result of better governance in others (more voice and accountability, for example), then the people ought to assess the risk and weigh what they value most. But here, too, if we look at political values in Hong Kong, we see that they are substantially democratic. When surveyed at the end of 2001 by the Asian Barometer, residents of Hong Kong showed some of the highest levels of rejection of authoritarian regime options of seven East Asian political systems surveyed (including also Korea, Taiwan, Japan, Mongolia, Thailand, and the Philippines). Explicit commitment to democracy lagged behind the established democracies of Asia, but this was still expressed by a majority of the population. And on most measures of political values in Hong Kong, substantial majorities expressed a democratic tendency: for example 90 percent agreed that people with little or no education should have as much say in politics as those with high education; 69 percent disagreed that “the government should decide whether certain ideas should be allowed to be discussed in society;” and two-thirds also rejected the notion that “government leaders are the like the head of a family; we should all follow their decisions.” Moreover, education, income and youth are all strongly positively associated with democratic value orientations in Hong Kong. Thus, as the society
becomes richer, better educated and as generational change works its way through the society, the desire for democratic modes of governance is likely to grow. If we compare Taiwan and Hong Kong, we find that on most clusters of democratic values, the mass public in Hong Kong is as democratic as that in Taiwan, and Hong Kong elites also compare favorably to their peers in Taiwan. Not surprisingly, supporters of pro-democracy political forces in Hong Kong manifested more pro-democratic values than did citizens who support pro-China political forces, but the differences are not large, especially at the mass level.⁶

Models and Constraints of Transition

It should be clear, then, that the limits to democratization in Hong Kong do not derive from its intrinsic “lack of readiness” for democracy. By comparative or theoretical calculation examining the level of socioeconomic development, the cultural cleavages in the society, the level of state capacity and effectiveness, the rule of law, and the attitudes and values of the people, Hong Kong seems about as “ready” to receive and sustain democracy as any society that has become democratic in recent decades.

There is one major problem. Unlike any other of these societies that has become democratic, Hong Kong seeks to do so as a semi-autonomous unit of governance within a larger non-democratic system. And not just a “non-democratic system” but a highly authoritarian regime which has none of the features of democracy that Hong Kong has enjoyed for some time—a multiparty political system; free and fair, multiparty elections for at least a portion of the system-wide legislature; and relatively high levels of civil liberties, including press freedom, freedom of association, and freedom of speech. It is
important for objective observers to be analytically clear, even if parties to the controversy must take strident or stylized positions to mobilize their followings, reassure their allies, or tiptoe past uncomfortable realities. The big constraining reality is that Hong Kong’s transition to democracy can, under the Basic Law, be blocked indefinitely by Beijing, while it claims that the Hong Kong SAR is still “not yet ready” for full democracy, that “gradual and orderly progress” means whatever pace of very incremental evolution Beijing will allow, “in light of the actual situation” as the Beijing authorities frame and interpret it. To be sure, indefinite postponement of full democracy by Beijing would be inconsistent with the spirit of the Basic Law, at least, and specifically articles 45 and 68, which proclaim democratic election of the Chief Executive and the Legislative Council “by universal suffrage” as “the ultimate aim.” As one Hong Kong democrat privately observed to me, “Constitutional power unconstitutionally exercised is but force under a different name. Of course, there is no legal remedy in China against such an abuse by the highest organ of state power, but that does not give it a legal right to do so.” Beyond the constitutional veto power of the Beijing authorities at any moment in time is the fact that a powerful segment of the administrative and business elite in Hong Kong have been willing to go along with and support—indeed have welcomed—Beijing’s go-slow approach, and thus the Beijing veto is not purely an external imposition but enjoys some vocal and powerful internal support within Hong Kong itself. Hong Kong democrats must find a way to address and alleviate the anxieties of these critical and powerful constituencies within Hong Kong.

The basic political problem in Hong Kong today is that pro-Beijing forces are unwilling to concede that Hong Kong is in every sense but one long since “ready for
democracy,” while pro-democracy forces have failed to recognize that in that last sense—the political and constitutional balance of power and authority—Beijing can block the SAR’s transition to democracy indefinitely (quite possibly for decades, or at least until China itself becomes a democracy). Unless Hong Kong pro-democracy forces figure out a way to change the current polarized power game that finds democrats on one side demanding democracy now—that is universal suffrage in the next rounds of elections—while pro-Beijing forces take a variety of go-slower approaches that can defer transition into the indefinite future, the transition to democracy will keep being deferred (again, unless there is a dramatic change in China’s overall political system that brings at least the initiation of a democratic opening).

There are basically three models of transition to democracy, as Samuel P. Huntington explained in his famous work, *The Third Wave.* One model is imposition from above—what Huntington calls *transformation*—by an authoritarian regime that is holding most of the cards. This was essentially the mode of transition in Taiwan, Mexico, Spain, and Brazil. The opposite mode, *replacement,* occurs much more infrequently, when an authoritarian regime loses its resolve or the commitment of its support base (particularly in the military) as a result of a dramatic failure, such as defeat in war (Argentina and Greece), the flight of its people (East Germany), the inability to pay its soldiers and civil servants (Benin), or some kind of military (Portugal) or electoral revolution. The latter mode has occurred in the Philippines in 1986 and more recently with the “color revolutions” in Serbia, Georgia, and Ukraine. In these circumstances, regimes miscalculated, thinking they could rig or prevail in manipulated elections, and democratic forces outlasted and outmaneuvered them. The third mechanism is a
negotiated transition—what Huntington calls *transplacement*—between an authoritarian regime that remains too powerful to be pushed out and a democratic opposition that has become too mobilized and resourceful to be suppressed without costs that the regime does not wish to (or cannot) bear. Such negotiated transitions between regime and opposition have been the norm, characterizing the transitions in Korea, much of Central America, Uruguay, Poland, Czechoslovakia, Mongolia, and South Africa. (There is also a fourth mode, foreign intervention to overthrow the dictatorship, as in Grenada and Panama, but I do not think any Hong Kong democrat is waiting for that).⁸

My premise here is that the only way a transition to democracy is going to happen in Hong Kong is through a negotiated bargain. The Communist regime in Beijing has no interest in initiating or imposing it; that is usually an option taken either because the ruling elite judges that it needs to extricate itself from power or more often because values have changed over time and the regime leaders come to believe that democracy is best for their country. China’s political leaders will only initiate or enthusiastically oblige a democratic transition in Hong Kong if they have resolved to implement it throughout the Chinese political system. That may happen, but it is not on the political horizon in China, and so for the coming ten to twenty years, at least, Hong Kong will only break the constitutional stalemate and achieve universal suffrage for a fully democratically elected parliament and chief executive if China’s Communist Party leaders agree. And they will only agree if they think their critical interests and those of their allies in the industrial, commercial, and financial sectors have been reasonably respected and protected.
This point may seem obvious, but I do not think its implications have been fully pondered and grasped by Hong Kong pro-democracy forces. They are in a weak position politically. In other situations where democratic civil societies and opposition parties pressed forward transitions to democracy, authoritarian regimes were weak or on the defensive, and usually under significant international pressure to democratize or at least liberalize. None of that is the case today, either with the larger political system of China or with the specific regime in Hong Kong. It would be nice if democrats of the world would unite and demand that Hong Kong be allowed to become a democracy, but the world’s democratic governments and societies cannot even agree on whether and how to press China to: improve its own still very repressive human rights situation; stop condoning genocide in Darfur; stop supporting and enabling the brutal dictatorship in Burma; and so on. Since Hong Kong does not have a human rights emergency as in Darfur or Burma, and does not suffer the kinds of systemic constraints on freedom and egregious violations of civil liberties that other citizens of the PRC suffer, the world does not feel much urgency in pressing for democracy in Hong Kong. Sadly, the people of Hong Kong are on their own.

That means that unless political forces in Hong Kong find a way to bridge their differences and agree on a compromise plan and timetable for democratic transition, the situation is likely to remain stuck short of democracy for a very long time. The real dialogue that is needed now, prior to a dialogue between Hong Kong and Beijing, is serious negotiations between pro-democracy and pro-China forces within Hong Kong to find common ground. There is a parallel to the negotiated democratic transitions that O’Donnell and Schmitter discuss in their seminal work, *Transitions from Authoritarian
Rule. They argue that all transitions in the 1970s and 80s began with a split in the regime between hardliners and softliners, which was then widened and exploited by intensified mobilization by democratic civil society and opposition forces, and then pushed forward to democratic transition when the moderates (softliners) on the regime side and their counterparts on the pro-democracy side sat down and negotiated with one another. This was often a complex and delicate game, in which opposition mobilization could generate sufficient alarm on the part of the regime to realize that it had to find a way out, while moderate opposition willingness to talk—and, crucially, the capacity of moderate opposition leaders to wind down mobilization at crucial moments, to command their civic followings—led to successful negotiations for democratic transition.

It is important to stress that typically, democratic forces initially won at the bargaining table—in Poland, in Chile, in South Africa—less than they would have gotten if the authoritarian regimes had just collapsed, as they did in Argentina, Greece, and the Philippines. Instead, the democrats had to settle for transitional periods and in some cases lengthy periods in which certain “authoritarian enclaves” or prerogatives (for example, for the military in Chile) were preserved. It is quite likely that a constitutional bargain in Hong Kong will preserve less than fully democratic practices for some transitional (hopefully not long) period of time. But against a longer (really, only moderately long) sweep of history, these aspects of deferred democratic gratification did prove to be fairly temporary in these other cases. South Africa’s majority party only had to put up with mandated power-sharing for five years. In Chile, the military’s prerogatives and insulated powers lasted longer, but have gradually given way as democratic governments became stronger and more self-confident, and as the society
(including some of the old support base for General Augusto Pinochet) shifted more emphatically in favor of modern, real, unconstrained democracy.

**Implications for a Negotiated Transition in Hong Kong**

I think the implications of these comparative lessons should be clear for Hong Kong, even though its situation as an autonomous unit within an authoritarian regime makes it such a special case. To spell out these implications requires skating on the thin ice of policy or political counsel, a dangerous thing for a foreign political scientist to do, and one I feel uncomfortable doing. But since I find it so frustrating and unfortunate to watch this fruitless political stalemate persist in Hong Kong, with so little prospect of a breakthrough, I am going to do so anyway.

Morally I think any democrat in the world must feel great sympathy for those in Hong Kong who have demanded universal suffrage and full democracy in 2007 and 2008. From the perspective as well of empirical democratic theories of the conditions for democracy, that achievement seems long overdue, and anything less seems (as I have argued in the first section of this paper) patently unnecessary and unfair. But from the standpoint of the comparative politics of transition, the democrats appear to lack a favorable tactical situation to achieve their goal. Unless they broaden their coalition, my guess is that they could be making this demand and losing out for several more electoral cycles to come. Sometimes, democrats must swallow hard and compromise for something less than what is morally due them but more than they can otherwise achieve by civic mobilization and moral appeals alone.
There are obvious points for compromise, and they involve two sets of issues: the timetable for achieving full universal suffrage, and the structure of the democratic system that would result. The broad lessons from other democratic transitions—to the extent they are applicable—suggest the following:

1. Pro-democracy forces will be more effective in pressing for a genuine transition to democracy to the extent that they can form a strong, coherent political and civic front that is capable of negotiating with pro-Beijing or “pro-system” forces, including the government of the HKSAR.

2. If pro-democracy forces cannot unite for negotiations, a breakthrough might nevertheless be facilitated if a prestigious and politically weighty subset of the pro-democracy camp were to opt for pragmatic negotiations with their moderate and compromise-seeking counterparts on the pro-Beijing side.

3. It will help for pro-democracy forces to demonstrate the capacity to mobilize large numbers of demonstrators and other expressions of mass popular sentiment for democratic change, but the moderate bloc must forge the moral authority and political discipline to cease mobilization as well as ignite it.

4. The near-term tactical goal must be the achievement of an internal agreement in Hong Kong among the major political players: the pro-democracy forces, the pro-Beijing political forces (including elements of the business community), and the government. Only if the major actors in Hong Kong come to a compromise agreement on the timing and structure of a democratic transition are the Beijing
authorities likely to judge that “actual political conditions” have evolved to the point where Hong Kong is “ready” for democracy.

5. Pro-democracy forces are going to have to compromise if they are going to get anything, and that may involve deferring the achievement of full universal suffrage until 2016 and 2017, if it cannot be obtained in 2012. If I were a Hong Kong democrat, I would rather have a firm constitutional commitment to full democracy in 2017 than an open-ended situation of deadlock and deferral that could drag on indefinitely.

6. If political forces in Hong Kong cannot reach agreement with each other and with Beijing on the achievement of full universal suffrage by 2012, then it may be possible to compromise on a forward step for each election that year, with full universal suffrage coming in the next electoral cycle. For the Chief Executive, former Secretary for Security Regina Ip has recently proposed direct election of the Chief Executive in 2012 among candidates nominated by a Nominating Committee that would involve a very considerable expansion in the size (and electoral base) of the current Election Committee for Chief Executive (to 1800 members), and some threshold of support needed from the Nomination Committee in order for a candidate to contest for election (ten percent overall and in each of the four sectors of the Election Committee). Her fallback or compromise position if full universal suffrage for the Chief Executive cannot be obtained in 2012 would be for this expanded body to elect the chief executive that year, and then become a nominating committee in 2017 for choosing candidates for the universal suffrage election. (Pro-democracy forces will object that such
requirements for nomination could give any one functional sector a veto to block the candidacy of a pro-democracy candidate for Chief Executive, but as a confidence-building measure, the mechanism might be kept for one election and then relaxed or abandoned).

7. Creative thinking is needed for the mode of transiting to a fully directly elected LegCo as well. A variety of institutional options should be tabled and discussed, both publicly and in private negotiations among the major political forces in Hong Kong. For example, if universal suffrage cannot be achieved for the LegCo in 2012, Regina Ip proposes to increase the size of the body from 60 to 80 members in 2012, with the additional twenty seats being elected by universal suffrage from PR lists (proportional representation) put forward by political parties or groups of candidates. This would increase the percentage of democratically elected seats to a clear majority and would then give way in 2016 to a democratic mixed system of fully universal suffrage (like that in many established and new democracies). Under this permanent system, the functional constituencies would disappear and half of the 80 LegCo seats would be elected from the geographical constituencies and half from the party or group lists (contest Hong Kong-wide). This is just one of several alternatives. For example, others might propose to reduce the functional constituencies to a third in 2012, by adding 30 PR seats.

Hong Kong does have one advantage, if political forces are smart enough to seize it. Differences over timing and increments of power are easier to settle, if competing parties and factions put aside their pride and fixed positions and agree to bargain, than
are deeper-seated, more symbolic and emotive differences over identity. In this respect, Taiwan is facing a possibly more intractable problem than Hong Kong. There are many ways of “splitting the difference” between a transition date immediately vs. in five years, ten years, or some indefinite and constantly receding future horizon. There are many ways of allocating seats among forms of election and groups in society. Hong Kong, in other words, is at a point in its political and economic development when it should be possible for people of imagination and good will to strike a viable constitutional bargain.

Such a bargain is more conceivable now than five years ago precisely because there are political forces that have the trust and respect of Beijing who are sincerely looking for a way to move Hong Kong to democracy. This is a new and critical development. And while they are not agents of the Beijing authorities, neither are they coordinating with them, Beijing is watching closely how their ideas and proposals fare. If the political battle lines continue to be drawn starkly into two camps—democracy now or never—while creative transitional proposals are spurned, Hong Kong is likely to remain mired in its stalemate. If Beijing sees that political forces are reaching across previously polarized lines to come to a flexible common ground that delivers eventual democracy while offering established interests reasonable grounds of confidence, it might draw the conclusion that “gradual and orderly progress” has indeed taken place in Hong Kong, and that “the actual situation” in the HKSAR has finally reached a point where dates for the achievement of universal suffrage with democratic methods of election for executive and legislature can be set in the foreseeable future.
Table 1: 2006 HDI Ranking, from the UNDP Human Development Report

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<thead>
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<th>Rank</th>
<th>Country</th>
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<tbody>
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<td>1.</td>
<td>Norway</td>
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<td>United States</td>
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<td>9.</td>
<td>Switzerland</td>
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<td>10.</td>
<td>Netherlands</td>
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<td>Malta</td>
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33. Kuwait
34. Brunei Darussalam
35. Hungary
36. Argentina
37. Poland
38. Chile
39. Bahrain
40. Estonia
41. Lithuania
42. Slovakia
43. Uruguay
44. Croatia
45. Latvia
46. Qatar
47. Seychelles
48. Costa Rica
49. United Arab Emirates
Table 2

Quality of Governance in Hong Kong

<table>
<thead>
<tr>
<th>Governance Indicator</th>
<th>Sources</th>
<th>Year</th>
<th>Percentile Rank (0-100)</th>
<th>Governance Score (-2.5 to +2.5)</th>
<th>Standard Error</th>
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<td><strong>Voice and Accountability</strong></td>
<td>8</td>
<td>2006</td>
<td>64.9</td>
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<td></td>
<td>7</td>
<td>2002</td>
<td>51.4</td>
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<td>1998</td>
<td>46.6</td>
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<td>8</td>
<td>2006</td>
<td>88.9</td>
<td>+1.16</td>
<td>0.24</td>
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<td>1998</td>
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NOTES

2 Hong Kong’s 2006 per capita gross national income (GNI) is $38,200. World Bank Indicators Online.
5 Ibid, Table 5, page 31.