

# Future Challenges of Governance in Hong Kong as Seen from Lee Ka-chiu's Visit to Beijing

Shan-Son Kung  
Assistant Research Fellow

Division of Chinese Politics, Military and Warfighting Concepts

Keyword: Chief Executive of Hong Kong, John Lee Ka-chiu, Xi Jinping

On 8 May 2022, the Election Committee of Hong Kong elected Lee Ka-chiu, the only nominee, as the new Chief Executive of Hong Kong. He received 1,416 votes of support against 8 votes of disapproval from 1,428 members of the Election Committee, representing a vote share of 99.16%. The result was in line with the calculations of the CCP.<sup>1</sup> On May 30, Lee, also known as John Lee, arrived in Beijing as Chief Executive-designate to receive State Council Order No. 754 from Premier Li Keqiang and met with Chinese leader Xi Jinping on the same day. This article examines the governance challenges that Lee Ka-chiu will face

when he begins his term in Hong Kong.

## **CCP establishing new governing authority through Lee**

On 8 May, the day Lee Ka-chiu was elected, the Hong Kong and Macao Affairs Office of the State Council of the PRC immediately published an article titled, “New Electoral System Shows New Vision, New Beginning for New Glory,” to congratulate him. The article not only boasted that the new electoral system realized the principle of “patriots ruling Hong Kong”, but also focused on the expectation that the next five years to be a “critical period for Hong Kong to move from chaos to stability, and from

---

1. “Lee Ka-chiu Elected as Chief Executive, Official Media said Hong Kong’s New Election System Fully Implemented,” *Central News Agency*, 8 May 2022, <https://www.cna.com.tw/news/acn/202205080176.aspx>.

stability to prosperity.”<sup>2</sup> When Xi Jinping met with Lee, he also emphasized in a press release that this year marks 25 years since Hong Kong's handover and that “a major turnaround from chaos to stability has been achieved.” The CCP's greatest expectation for Lee, a former police officer, is that he will represent the Party to govern Hong Kong well. He is also expected to build up a new authority based on his experience in suppressing social democratic movements to achieve a new situation in Hong Kong. But the process will not be smooth, and many challenges still exist.<sup>3</sup>

### **Challenge 1: Legislation of Article 23 of Hong Kong Basic Law will further tear Hong Kong community apart**

At a briefing on his election meeting during the Chief Executive election, Lee Ka-chiu made it clear that he “will promote the legislation to implement

Article 23 of the Basic Law, which prohibits any act of treason, secession, sedition, and subversion against the Chinese Government and theft of state secrets.”<sup>4</sup> In 2003, Tung Chee-hwa once pushed for the legislation of Article 23, but it was not resolved due to massive pro-democracy protests. This time, the election of Lee Ka-chiu foreshadows a possible return of the conflict between the government and the people. The major difference between these two legislative contexts is that the passage of the Hong Kong National Security Law has created a chilling effect, which caused the democratic movement in Hong Kong, including the Legislative Council elections within the system and the mass protests outside the system, to come to a standstill; but the public's reluctance to take a stand does not mean that the future legislation of Article 23 will be promoted smoothly. What Lee Ka-chiu is likely to face is a longer or more indirect

---

2. “New Electoral System: New Vision for New Beginning and New Glory,” *The Hong Kong and Macao Affairs Office of the State Council*, May 8, 2022, [http://big5.news.cn/gate/big5/www.news.cn/gangao/2022-05/08/c\\_1128631153.htm](http://big5.news.cn/gate/big5/www.news.cn/gangao/2022-05/08/c_1128631153.htm).

3. “Xi Jinping meets Lee Ka-chiu, Han Zheng Joins,” *People's Daily Online*, May 30, 2022, <http://cpc.people.com.cn/n1/2022/0531/c64094-32434433.html>.

4. “Lee Ka-chiu: If Elected as Chief Executive of Hong Kong, Article 23 Legislation is the Focus of Work,” *Central News Agency*, April 14, 2022. <https://www.cna.com.tw/news/acn/202204140200.aspx>.

social rebound, and it is expected that the social confrontation will tear the pro-establishment and the democratic camps further apart in the promotion process.

### **Challenge 2: Hong Kong civil servants have long-standing grievances**

In 2021, 129 civil servants were sacked after they refused to take the oath of allegiance to the SAR as requested by the Hong Kong government.<sup>5</sup> Lee Ka-chiu himself had discussed with Beijing the division of labor for epidemic prevention during his term of office as the Chief Secretary for Administration in early 2022. Still, the inconsistency in the released information and its implementation triggered a backlash from the public and Hong Kong civil servants. The then-Chief Executive, Carrie Lam, had to step in to put out the fire on Lee's behalf.<sup>6</sup> These two incidents show that dissatisfaction among Hong Kong civil

servants has been building up against the SAR Government. Whether Lee can gain support of civilian officers, or at least not be negligent in his administration, in the future will be a major challenge that will affect his performance.

### **Challenge 3: Hong Kong's economy is facing a headwind**

Hong Kong's Hang Seng Index ended 2021 down 14.1%, the largest annual drop in a decade. Financial performance has been greatly affected by the impact of the epidemic and uncertainties such as the CCP's regulation of financial, insurance, and property stocks, which have traditionally supported the Hong Kong stock market.<sup>7</sup> On the eve of his appointment, Lee was confronted with another major outbreak of the epidemic in Hong Kong since the beginning of 2022, another problem to add to the pile of issues plaguing Hong Kong. He had to gradually resume daily economic

---

5. "129 Hong Kong Civil Servants Refuse to Swear Allegiance to the SAR and will be Sacked," *Central News Agency*, April 14, 2021, <https://www.cna.com.tw/news/firstnews/202104140094.aspx>.

6. "Anti-epidemic Work - The Officials' Division of Labor Uneven. Carrie Lam: Lee Ka-chiu Could Only Give a General Briefing that Night," *HKET*, February 15, 2022, <https://reurl.cc/g2rjLV>.

7. "HSI 2021 Wrap-up: Hang Seng Index down 14.1% for the Year, Li-Ning (02331), Sunny Optical Technology (02382) Buck Trend to Lead Blue Chips," *Sina Finance*, December 31 2021, <https://finance.sina.com.cn/stock/hkstock/ggscyd/2021-12-31/doc-ikyammz2402818.shtml>.

development after the epidemic had stabilized while fighting against the uncertainty of the general environment, which would be a considerable challenge for him coming from the police system. Even though Li Keqiang has encouraged Lee in person to “enhance the status of the three major centers of international finance, shipping, and trade, and accelerate the development of an international innovation and technology center,”<sup>8</sup> the challenges are enormous in reality. Firstly, even though efforts have been made in recent years to integrate Hong Kong into the Greater Bay Area of Guangdong, Hong Kong, and Macao, the interconnection has not yet matured, making it difficult to achieve the desirable mutual synergy. Secondly, the independent legal and business culture tradition that made Hong Kong a world financial center in the past has been severed from the West due to the Hong Kong National Security Law. It is now indeed difficult to regain international trust. Thirdly, Hong Kong is relatively weak as a center of technological innovations, and its

technology manufacturing clusters have a scale far smaller than pivotal places such as Taiwan and South Korea.

### **Lee's leadership of Hong Kong into “one country, one system” is bound to meet challenges**

As a former “armed official,” Lee has experienced many large-scale democratic protests in Hong Kong, so his appointment by the CCP is a good indication that economic development is not the first priority for Beijing. China's most urgent task is completing the “second handover” of Hong Kong people's hearts after the first of the territorial sovereignty. Lee is expected to lead Hong Kong to be assimilated by mainland China under the “one country, one system” principle. However, as observed from the above three challenges, the challenges from the citizens and international parties will also increase.

(Originally published in the “National Defense and Security Real-time Assessment”, June 8, 2022, by the

---

8. “Li Keqiang Meets Lee Ka-chiu and Issues State Council Decree Appointing Lee as the Sixth Chief Executive of the Hong Kong SAR in the Presence of Han Zheng,” *People's Daily Online*, May 30, 2022 <http://cpc.people.com.cn/n1/2022/0530/c64094-32434157.html>.

Institute for National Defense and Security Research.)

(The contents and advice in the assessments are the personal opinions of the authors, and do not represent the position of the Institute for National Defense and Security Research.)