On the Foundation and Logic of the "One Country, Two Systems" Theory

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I. Doubts about and Challenges to the "One Country, Two Systems" Theory

Debate surrounding the theory, principle and policy of "One Country, Two Systems" started when they were first proposed, which did not stop when they became a legal provision in the *Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China* (hereinafter as "the Hong Kong Basic Law") and the *Basic Law of the Macao Special Administrative Region of the People's Republic of China* (hereinafter as "the Macao Basic Law"). Such debate, rather than petering out after the establishment of the Special Administrative Regions (SARs) and the Basic Laws taking effect, became even more intense because of new problems arising in the implementation of the "One Country, Two Systems" policy and the Basic Laws. Therefore, we need to seriously respond to the debate, provide an in-depth analysis and convincing exposition of the "One Country, Two Systems" theory, so as to supply a sound theoretical basis for the implementation of the "One Country, Two Systems" policy.

1.1 Different attitudes to the "One Country, Two Systems" policy

There has been a plethora of diverging and contentious attitudes toward the "One Country, Two Systems" theory. In chronological order, they mainly include the following:

1.1.1 Attitude of doubt

When the "One Country, Two Systems" idea was first proposed, it was met with skepticism. The doubters fell into two groups.

The first group doubted the sincerity of the Central Government about the "One Country, Two Systems" idea, suspecting expediency in the proposition of the "One Country, Two Systems" policy and the promise of keeping "two systems" unchanged over a long period of time. The doubters voted with their feet and emigrated overseas for assurance and future security. By 1997, about 200,000 Hong Kong residents immigrated to Canada.[1] The second group thought the "One Country, Two Systems" idea unfeasible and unworkable, declaring that the day of the "One Country, Two Systems" policy coming into practice in the SARs would be the day of its demise. The *Fortune* magazine even ran a cover story entitled "The Death of Hong Kong", declaring after midnight of 30th June 1997, "everything will change" for Hong Kong, with the certain loss of its role as an international commercial and financial hub. It would become "backwater". "The naked truth about Hong Kong's future can be summed up in two words: It's over."[2]

1.1.2 Anticipation and ambivalence

The successful transfer of power and smooth transition upon implementation of the "One Country, Two Systems" policy and the Basic Laws, followed by sustained social stability and economic development, caused some of the doubters to change their attitude toward the "One

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Country, Two Systems" policy, now having more confidence and anticipation. One notable demographic indicator was the return of those who had emigrated. On 9th July 2007 around the 10th anniversary of the handover of Hong Kong, the *Fortune* magazine ran a thought-provoking article in stark contrast to its story ten years earlier, entitled "Oops! Hong Kong is Hardly Dead".[3]

Although there are still people who harbor anxiety about the "One Country, Two Systems" policy, they have changed from opposition to observation.

1.1.3 Believing that the "One Country, Two Systems" theory is open to interpretations

Given new problems in implementing the "One Country, Two Systems" policy, there have been discussions as to relations between "One Country" and "Two Systems", as well as between "Two Systems" under the overall structure of the "One Country, Two Systems" principle, resulting in different interpretations and views. One view regards "One Country" as the basis for "Two Systems", mandating residents identifying with the motherland and administration of the SARs chiefly by patriots. Another view stresses that "Two Systems" should be the key, challenging the criteria and requirement for administrators having to be patriots. Yet one more view suggests that there should be a firewall to prevent the impact of the Mainland system on the SAR system and the assimilation of the latter by the former. Opponents to this view have argued that such a firewall would hinder cooperation between Hong Kong and the Mainland, resulting in risk of Hong Kong being gradually marginalized. They support closer cooperation between the SARs and the Mainland.

1.1.4 Attitude of cooperation

In times of difficulty in Hong Kong's economic development, there were demands for support by the Central Government and cooperation with the Mainland provinces. This led to three initiatives by the Central Government to promote (a) Closer Economic Partnership Arrangement (CEPA) between the SARs and the Mainland, (b) the Individual Visit Scheme and (c) regional cooperation between Guangdong, Hong Kong and Macao. The most telling example of such cooperative attitude is the SARs' request for inclusion of the SARs development in the state's 12th Five Year Plan, demanding economic integration of the SARs and the Mainland. Then of course, there was also a dissenting view that the SARs would become unwittingly subjected to national planning.

1.1.5 Attitude of negation

Some individuals have moved from skepticism to outright negation about the theory and policy of "One Country, Two Systems", adamantly opposing, in particular, the principle reflecting the essence of "One Country". Milestone events include opposition to legislation safeguarding national security, petition for referendum to change the SAR political system, opposition to moral and national education, and campaign for Hong Kong self-government. There have also been views negating peaceful coexistence of, and mutual respect between, the two systems, and even advocating change in the Mainland political system. Both using "Two Systems" to oppose "One Country" and proposing change to one of the two systems are by nature negating the "One Country, Two Systems" principle.

A review of these changes demonstrates the following:

a) The attitudinal change moved in a wave pattern, with alternating doubt and anticipation, anxiety and hope, cooperation and opposition, affirmation and negation. The change has never been one-directional.

b) Different attitudes existed in different periods with one or another being prevalent in a given period.

c) A trend among some individuals moving from initial skepticism to self-fashioned interpretation and eventual challenging and negation of the "One Country, Two Systems" policy warrants special attention.

1.2 Challenging the "One Country, Two Systems' policy

Challenges to the "One Country, Two Systems" theory are mainly as the following:

1.2.1 The "One Country, One System" view

Holders of such a view believe that the "One Country, Two Systems" idea simply will not work, though they differ on their proposed reasons.

Those who stress the "One Country" principle argue that if "Two Systems" continue to be used to oppose "One Country", there would be no long-term peaceful coexistence and the "One Country" would not allow the existence of "Two Systems". Therefore, the "One Country, Two Systems" policy would eventually prove infeasible.

Those who stress the "Two Systems" principle believe there realistically cannot be "two systems" in "one country", as their inherent value systems are so vastly different, resulting in either one being eventually changed by the other. They differ in their assessment of Hong Kong's current situation, with some arguing the process of amalgamation (of Mainland and the SARs) under two systems[4] has already begun, while others predict that situation in Hong Kong getting out of hand would be the advent of major changes in China.[5]

Either way, the "One Country, Two Systems" policy would prove unfeasible.

According to perpetrators of such a view, "one country" would eventually adopt "one system", or "two systems" would lead to "two countries". The way out of the dilemma would be "One Country, One Good System" ("Two [兩, /liǎng/]" being homonym of "Good [良, /liáng/]" in Chinese). With "One Country, One Good System", why bother with "One Country, Two Systems"? Advocating a consensus on what a good system there should be before discussion of national unity is central to their view.

1.2.2 The "One Country, One Nation" view

Holders of this view argue that since the "One Country, Two Systems" idea would not work, why not pursue "Two Countries, Two Systems" in a disguised form?

Specifically they suggest:

a)   A high degree of autonomy under the "One Country, Two Systems" policy is not enough. They advocate city-state autonomy, putting forward an agenda for Hong Kong Autonomy Movement and have designated the Lion and Dragon flag as its emblem. It is a movement in essence to negate "One Country". Some overseas individuals even advocate rejecting the control by the Central Government, moving toward independence, repealing the Basic Laws and setting up an entirely different political entity.

b)   Weakening, nullifying, even resisting and confronting Central Government authority over the SARs. Efforts in Hong Kong include proposing a referendum in five districts, opposing legislation concerning Article 23 of the Hong Kong Basic Law, and opposing national education, which are all directed against Central Government's authority over the Hong Kong SAR. Any consultation with the Central Government, including communication between the Democratic Party and the Central Government on options for political system was thought detrimental to the "One Country, Two Systems" policy, a sellout regarding the high degree of autonomy.

Nominally, such views were not in opposition to the "One Country" idea. However, in essence they favor independence of the SARs, leading to actual negation of "one country".

1.2.3 The view of going beyond the "One Country, Two Systems" principle

Holders of such view argue, "Hong Kong should move beyond the Basic Law and the 'One Country, Two Systems' policy." "Let us imagine what Hong Kong or the entire Pearl River Delta region will be like in the future. This is not just a matter of economic development; more importantly, it is about political and social reforms. With regard to Hong Kong in 2047, all those born after 1980 should begin to think what will happen to Hong Kong after expiration of the Basic Law and what will happen in China. What constructive role can we play for China?"[6] Some even proposed moving from the interim stage of "One Country, Two Systems" to the stage of "One Country, One Good System". To them, the ultimate goal of "One Country, Two Systems" should be "One country, One Good System".[7]

This view suggests going beyond not "one country", but the two existing systems. There is no explanation, however, as to what should that new system be and how to achieve the proposed transcendence. It leaves room for imagination.

The "One Country, Two Systems" theory is the cornerstone of the SAR system. Any challenge to this theory will inevitably destabilize the SAR system. Therefore, there should be clarity on such an important issue. A deep and precise understanding of the "One Country, Two Systems" policy is of both practical and theoretical importance.

These arguments reflect disagreements as to if the problems that have occurred are a result of pitfalls in the "One Country, Two Systems" theory itself, or its inadequate understanding and practice. Specifically, three basic questions need answers:
  a)   Is existence of "two systems" feasible within "one country"?
  b)   Will "two systems" eventually become "one system"?
  c)   What will the one system be in the movement toward "one system"?

In attempting to answer these questions, an analysis of the practice and progress of the "One Country, Two Systems" policy is called for, so that we can have a clear view of the present and a vision for the future.

II. The Practical Reality of the "One Country, Two Systems" Policy

Examining both the theory and practice of "One Country, Two Systems", we can conclude that "two systems" are feasible within "one country".

2.1 Historical and present conditions for the "One Country, Two Systems" policy

The practice of "two systems" within "one country" was necessitated by specific historical and present conditions; the "One Country, Two Systems" principle is not a universal solution to any situation or under any conditions.

2.1.1 Within a state that historically had unified territory and sovereignty

Given certain historical reasons, a once unified country suffered division of its territory and sovereignty and hence established the goal to restore territorial integrity and unified sovereignty, and achieve return of, and resume sovereignty over, territories occupied by foreign states, in a great cause of national reunification. Therefore, a historically unified state is the preexisting condition and prerequisite for the practice of the "One Country, Two Systems" policy. Without the "one country" that historically enjoyed sovereign and territorial integrity, there would have been no "One Country, Two Systems" to speak of. "One country" in the "One Country, Two Systems" notion implies the unified state after resumption of unified sovereignty, with effective and actual sovereign authority. It is a restored "one country" rather than a newly created one. Thus, Deng Xiaoping said, "Sovereignty is non-negotiable."[8]

2.1.2 Different systems in different regions

Given a different social system that had long been in practice in the split territories and the wishes of their residents for the preexisting system to continue, the arrangement of "two systems", after resumption of exercise of state sovereignty over these territories and restoration of one unified state, was necessitated by their actual conditions and wishes of their residents. Deng Xiaoping said, "Given the history and present conditions of Hong Kong and Taiwan, we will not be able to maintain their prosperity and stability if there is no guarantee for them to continue practicing capitalist system. Nor will we achieve peaceful reunification of the motherland."[9] "These principles and policies will not only be acceptable to the people of Hong Kong, but also to others who have invested in Hong Kong, first among them being the British, because they can benefit from them."[10]

Only when conditions described in the above two paragraphs exist does the practice of the

"One Country, Two Systems" policy become possible.

2.2 The "One Country, Two Systems" policy as a path to transcend contention over political system

The goal of the "One country, Two Systems" policy is to achieve national reunification. There can be multiple options and means to achieve national reunification. The common approach in the past had been one country with one political system and unification meant adopting the same system. However, the concept of "One Country, Two Systems" means achieving reunification by maintaining, and transcending contention over, different societal systems, if doing so is more conducive to national unification.

2.2.1 Intrinsic logical consistency of the "One Country, Two Systems" concept

The "One Country" principle is the basis for the "Two Systems" idea whereas the "Two Systems" idea is a condition for the "One Country" principle.

2.2.1.1 The "One country" principle is the core and basis for the "One Country, Two Systems" policy

The core concern for the "One Country, Two systems" concept was to address the issue of national reunification, rather than unifying political systems. Without clear understanding of this core concern, we will not be able to move beyond contention over political systems. Focusing on resolving differences over political systems would only lead to the "One Country, One System" situation, not the "One Country, Two Systems" policy.

The "One Country, Two Systems" policy implies unity with room for difference. "Unity" means national unification, and "difference" allows coexistence of two political systems. The practice of the "One Country, Two Systems" policy is to seek common ground while shelving differences, and achieve unity of "one country" while allowing differences of "two systems". In balancing relations between "one country" and "two systems", the value of the former is an enabler of consensus, while differences in the latter can be shelved. The unified "one country" can transcend the differences in "two systems".

2.2.1.2 Why should the "One Country" principle be the basis?

To define relations between "One Country" and "Two Systems" in the "One Country, Two Systems" principle, i.e. determining which is basis or goal and which is condition or means, we should examine the objective and starting point with which the "One Country, Two Systems" theory was first proposed.

Deng Xiaoping proposed in the 1980s that peaceful reunification should be a national task. He suggested the principle and policy of "One Country, Two Systems" for achieving national unification. Thus, given the process that covered goal-setting (peaceful reunification) to solution (the "One Country, Two Systems" policy), we can see unification is the goal, while the "One Country, Two Systems" policy is the means for achieving the goal.

The "One Country" idea in the "One Country, Two Systems" concept is the basis and fundamental goal, while the "Two Systems" idea is a condition and means to achieve the unified state of "one country". The fundamental goal is singular while approaches to achieving the goal are multiple, including, e.g. the "One Country, One System" policy or the "One Country, Two Systems" policy. Either way, the ultimate goal should remain the same: achieving national unity. What then is the most effective means to achieve unification? The "One Country, Two Systems" theory proposes that retaining two political systems in one country is most favorable to achieving national unity. On the one hand, it guarantees that there would be no negative impact on steady development of Hong Kong and Macao. On the other, stability and development in Hong Kong and Macao also contribute to a unified motherland. There should be no conflict, but mutual benefit and shared development, in such a relationship.

Some believe that the soul of the "One Country, Two Systems" concept is the notion of "Two

Systems", rather than that of "One Country". They argue that, by simple logic, if the focus is on the notion of "One Country", there should be no reason not to adopt the "One Country, One System" policy, or not to simply turn Hong Kong into an ordinary city in China's south.[11] However, such a view does not conform to logic.

First, if the goal of the "One Country, Two Systems" policy is to maintain "two systems" as an end in itself, what will "one country" be in relation to the goal? Is it just a means? If that were to be the case, "one country" as a means would have been redundant or unnecessary to "two systems", as there already had been "two systems" without a unified "one country". Thus, this argument would in fact nullify the need for "one country". The notion of "One Country" would become dispensable and redundant.

Second, if "two systems" were to be the basis and goal respectively of "one country", then which of the two should be basis and which should be goal? This would inevitably lead to search for a solution to address singularity and consistency in political systems as basis for "one country". The outcome might be the "One Country, One System" policy rather than the "One Country, Two Systems" policy. Thus, the idea of "Two Systems" being the basis and goal for the "One Country, Two Systems" concept is illogical.

2.2.1.3 The "Two Systems" notion as a necessary condition

Achieving the unified "one country" as the goal of practicing "two systems" does not mean the notion of "Two Systems" is dispensable or either of the two could be negated or changed. Under the specific historical and present conditions in China, "two systems" is a condition for achieving a unified "one country". The simple reason is the practice of "two systems" being the most conducive to achieving national unification, which has been born out by the smooth return of Hong Kong and Macao. The continued practice of "two systems" after unification is also conducive to the development of a unified nation. The sound development of Hong Kong and Macao benefits the nation and vice versa. It is a win-win situation. Therefore, the means cannot be separated from its goal in the "One Country, Two Systems" structure, lest it becomes purposeless. An objective requires a means for its fulfillment. The process of goal realization involves handling of various relations, including that between goal and means and other causal relations. Given this, we should both adhere to the principle of "One Country" and maintain the situation of "Two Systems".

2.2.2 Accommodating diverse interests under the "One Country, Two Systems" policy

The "One Country, Two Systems" theory was put forward to achieve national reunification rather than to unify political systems within the country. Therefore, the "One Country, Two Systems" policy allows coexistence of different societal systems, transcending differences in and contention over political systems.

Why can "two systems" be accommodated in "one country"? The most fundamental reason is that the "Two Systems" approach is conducive to national unification and conforms to national interest. The existence of "two systems" is also conducive to maintaining economic development and social stability in the SARs and conforms to public interest. As a policy that conforms to both national and regional interest, and the interest of the entire nation and local residents in the SARs, it dictates the necessity of coexistence of "two systems" in "one country". The "One Country, Two Systems" policy not only maximizes the interest of the state and the SARs, but also enables them to benefit from a win-win situation. The sound development of the nation benefits Hong Kong and Macao, and vice versa. This demonstrates the rationality of the "One Country, Two Systems" policy. If the "One Country, One System" policy were to be imposed, one of the existing "two systems" would have to be eliminated. Interest of the both systems would not have been accommodated, but in fact harmed. The result would have been a zero-sum, rather than a win-win, game. Putting the two approaches in comparison, we can easily see which is more rational and advantageous.

The achievements over the past decade and more since the founding of the SARs and their

Basic Laws taking effect have demonstrated the advantage of the "One Country, Two Systems" policy, which has proven theoretically plausible and practically feasible.[12]

2.2.3 Inclusiveness of "One Country" and "Two Systems"

2.2.3.1 Implications of the idea of "One Country"

The "One Country" idea implies four basic notions: territorial integrity, unified sovereignty, common constitution and one Central Government exercising authority over local administrative entities and handling state affairs.

The four concepts define the requisite elements of any normal state. A state, if subjected to territorial division and split sovereignty, constitutions and governments, could hardly be called a state. If the state were to be split rather than unified under the "One Country, Two Systems" policy, then the "One Country" idea would be devoid of meaning and could hardly be deemed as "one country".

Specifically, the "One Country" notion in the 'One Country, Two Systems" principle means no other than the People's Republic of China (PRC). Negating this would be logically absurd. It contravenes both reality and formal logic.

First, analyzing from the perspective of formal logic, we can infer, e.g. using syllogism, as follows: major premise: the law should protect state security; minor premise: the PRC is a state; conclusion: the law should protect state security of the PRC. However, an opposing view holds that the law protects state security; but the PRC cannot be equated to state, as the latter is an abstract notion while the PRC is a concrete entity; since the PRC is not an equivalent of state, it is possible for the law not to protect the security of the PRC. What is wrong with such deductive argument? It fallaciously uses the abstract notion of the state to negate a specific state. In fact, the abstract state in the major premise consists of specific states, encompassing all states including the PRC. As long as the PRC is defined as a state, its security should be protected by the law. The argument challenging the "One Country, Two Systems" concept uses the abstract notion of the state to negate a specific state. It acknowledges the abstract notion of "One Country", but rejects that it specifically means the PRC. In such logic, the "One Country" idea in the "One Country, Two Systems" principle becomes an abstract state and is subject to whimsical interpretation and reconstruct. The "One Country" idea as foundation of the "One Country, Two Systems" principle becomes problematic and destabilized. However, the reverse is true and the notion of "One Country" means specifically the PRC. The PRC represents China, which exercises sovereign authority over China, and resumed the exercise of sovereignty over Hong Kong and Macao. An abstract China cannot exercise sovereignty. It is also a fact that countries around the world engage in relations specifically with the PRC rather than an abstract China. The PRC represents China in the UN. This an undeniable fact acknowledged by the international community.

Second, the fact also shows that the Joint Declarations on Questions of Hong Kong and Macao were respectively entered between the PRC and the United Kingdom and Portugal. They state explicitly that the PRC would resume exercise of sovereignty over Hong Kong and Macao. The PRC established the SARs after resuming sovereignty. Throughout the process of negotiations over Questions of Hong Kong and Macao, resumption of exercise of sovereignty over the two regions, and the establishment of the SARs, it had been clear that the PRC was the main entity that exercised sovereignty. Nobody can deny the presence and role of the PRC except those who bury their heads in the sand.

Therefore, the "One Country" notion implies the PRC with territorial integrity and unified sovereignty. It does not mandate homogeneity of societal systems and can accommodate the "Two Systems" notion.

2.2.3.2 Implications of the idea "Two Systems"

The PRC as a normal state naturally has its state political system. The "One Country" idea under the "One Country, Two Systems" concept not only exercises sovereignty, but also has a state

political system. One sovereign state can only have a single state system. For instance, the system of people's congresses is the political system of the state, the unitary system of relations between central and local governments is a system of state structure. The state political system encompasses not only the Mainland, but also the SARs. Therefore, it should be emphasized in particular that the notion of "Two Systems", under the "One Country, Two Systems" policy, does not exclude the existence of a state political system.

What, then, is the nature of the "Two Systems" notion under the "One Country, Two Systems" policy? They should be understood as systems of societal and regional nature. Specifically, the notion of "Two Systems" means the Mainland and the SARs can have different systems, which implies different societal systems with geographical delineations, rather than different state political systems at the national level. Mixing the two would cause logical confusion. For instance, the system of people's congresses is the state political system. Although the SARs do not practice this system, nor can they negate such system, as it is a national level system. If the system of people's congresses were to be deemed only as a societal system of the Mainland, not a national system, the SARs would be able to reject this system, leading to denial and rejection of the National People's Congress (NPC) as the highest organ of power in the system of people's congresses and its authority in empowerment of the SARs. The "One Country, Two Systems" policy would then fall apart.

Therefore, there should be distinction between national and societal systems. There can be only one state political system but two different societal systems within one state. We should not pitch a societal system against the state political system because it is different. Similarly, acceptance of the singular state system does not mean abandoning or changing two different societal systems.

Thus, the notion of "Two Systems", by definition, does not exclude the principle of "One Country" and one singular state political system.

2.2.3.3 Practicality of the "One Country, Two Systems" policy

How could "one country" practice "two systems"? The theory of "One Country, Two Systems" provides a plausible solution that, in a nutshell, can be described as: peaceful coexistence, mutual respect, cooperation for mutual benefit and joint development.

Peaceful coexistence and mutual respect dictates accommodating differences in two different systems. Mutually beneficial cooperation and joint development suggests cooperation between two different systems for mutual benefit and joint development, in addition to peaceful coexistence. Specifically:

First, peaceful coexistence is a prerequisite in handling relations between "two systems", either of which should be allowed to neither change nor swallow the other, so as to avoid the trap of uncompromising contention over political systems, rendering coexistence of two systems impossible.

Second, mutual respect should be the proper attitude in handling the relations of "two systems". Whenever problems arise, mutual understanding rather than confrontation is called for to resolve differences through rational consultation.

Third, mutually beneficial cooperation should be the bonding factor in the "One Country, Two Systems" policy. Only through such cooperation can relations between "two systems" become closer, yielding benefits of a unified "one country". Divisive segregation, estrangement, suspicion and distrust between the two systems, if allowed to continue and worsen, would ultimately endanger the foundation of "one country".

Fourth, joint development should be a committed objective in handling relations between the "two systems". Only through cooperation can joint, win-win development be possible. Joint development will effectively demonstrate the superiority of the "One Country, Two Systems" policy, and help realize its goal, making the one country both unified and powerful while delivering

prosperity, stability and development in the SARs.

In the process of implementing the "One Country, Two Systems" policy, has the "One Country" principle changed the SARs' preexisting system? No domestic or international commentators have ever indicated there were changes to the SARs' social and economic systems, and the system for safeguarding the fundamental rights and freedoms of its residents, as provided for in Article 11 of the two Basic Laws.[13] With regard to the executive, legislative and judicial systems stipulated in the two Basic Laws, there is a view that they have indeed been subjected to certain changes. It is worth pointing out that the political system in the SARs is defined by their Basic Laws, which has not only retained the effective elements of preexisting systems, but also includes changes instituted in keeping with requirements of the "One Country, Two Systems" policy. For instance, Governors of the two regions under the previous systems were directly appointed by the United Kingdom and Portugal, with no election input whatsoever. The Basic Laws provide that the Chief Executives shall be elected by an Election Committee, and be appointed by the Central Government. Eventually through gradual and orderly progress, universal suffrage may also be adopted. A system combining election and appointment reflects the "One Country, Two Systems" principle. Granting right to elect the Chief Executives in accordance with provisions for a high degree of autonomy, and exercising authority of the Central Government over the SARs through appointing the Chief Executives are new and did not exist in the previous systems. As to how electoral systems will evolve, this is a matter not merely of electoral right in the SARs, but also about the Central Government's authority for political appointment. Therefore, the Central Government excising its authority to decide on such a matter should not be seen as interference in their autonomy or an attempt to change the SAR system. On the contrary, this is a power that should rest with the central government in its handling of the relations with the SARs. Advocating that electoral reform only concerns the SARs and has nothing to do with the Central Government, or even demanding removal of Central Government appointment system, are in fact attempts to change the new institutional arrangement for the "One Country, Two Systems" policy.

III. The Future of the "One Country, Two Systems" Policy

Do the contradictions that we have seen arising from the practice of the "One Country, Two Systems" policy mean it has no future? Can we thus refute and lose our confidence in the "One Country, Two Systems" policy? In truth, such contradictions are inevitable. The key is finding proper solutions. Taking a confrontational approach would only intensify conflicts and turn them into zero-sum strife, with "two systems" being reduced into "one system". Taking a consultative approach can lessen, reconcile and eventually resolve conflicts, with "two systems" continuing to coexist peacefully.

In the Mainland structure of unitary state political system, for instance, there are also contradictions and conflicts concerning interests of, and relations between, Central Government and local governments. However, we would not simply remove local government structure because of such contradictions and conflicts. Of course, without local governments, there would be no conflicts between central and local authorities. Then, how would it be ever possible for the Central Government to manage directly all state and local affairs? It is obviously not feasible. Therefore, the vast majority of countries in the world have a local government structure, with mechanisms to ensure a proper relationship between Central Government and local governments. Likewise, problems do exist in the practice of the "One Country, Two Systems" policy. However what policy and institutional design could be a better option if we were to refute the "One Country, Two Systems" policy because of these problems? If the "One Country, Two Systems" policy were to be substituted by the "One Country, One System" policy, conflicts concerning political systems would

only intensify, which would only be detrimental to the interest of the state, the SARs, the Chinese nation and SARs' residents. Contention over "two systems" will cause harm to all sides, with the loosing side being left in much worse condition. The so-called autonomy movement against "one country", using so-called right to autonomy to challenge sovereign authority, would lead to nowhere. The futile attempt by its perpetrators of exaggerated self-worth is doomed. Therefore, it is imperative that all unrealistic illusions be discarded and efforts be focused on practical matters in support of the "One Country, Two Systems" policy.

3.1 The "One Country, Two Systems" policy to remain unchanged for 50 years

The condition for the "two systems" remaining unchanged for 50 years is no change to both systems. If attempts at changing the political system of the Mainland were to be insistent, then there would be no "two systems". Deng Xiaoping said, "To maintain prosperity and stability in Hong Kong for 50 years and beyond, we must keep the socialist system under the leadership of the Communist Party of China on the Mainland unchanged."[14] Attempts to change the political system on the Mainland would only lead to either of these two scenarios: the SAR system being changed and becoming the same as the Mainland system; elements in the SAR system that are different be changed and made the same as those of the Mainland system and the SAR system becoming part of the Mainland system. Either way, a separate and different SAR system would cease to exist, against the wishes of the perpetrators of the said attempts.

3.2 The "One Country, Two Systems" policy may remain unchanged beyond the 50-year period

If the practice of the "One Country, Two Systems" policy proves successful, there will be no need to change the situation of "two systems" into that of "one system", even after one hundred years. Deng Xiaoping said, "As a matter of fact, 50 years is only a vivid way of putting it. Even after 50 years, our policy will not change either. That is, for the first 50 years it cannot be changed, and for the second there will be no need to change it."[15]

Therefore, whether the "Two Systems" arrangement will be changed depends on the success or otherwise of the "One Country, Two Systems" policy. The long-term coexistence of "two systems" or their change into "one system" will be subject to certain factors and neither is a given. The determining factor is the success or failure in the handling of relations between the ideas of "One Country" and "Two Systems" under the "One Country, Two Systems" policy.

If the "Two Systems" idea are mutually beneficial and cooperative, which result in shared and joint development, there will be no need to change them into "one system". If the situation of "one system" is less advantageous than that of "two systems", there will be no chance for the former to replace the latter or the two systems to become one. Rather than harboring pessimism about the "two systems" being reduced to "one system", or indulging in idealism expecting the "Two Systems" situation to be replaced by one "good" system, it is far more worthwhile to be practical and work for the success of the "One Country, Two Systems" policy.

3.3 The key concerning change is not "if" but "how"

Deng Xiaoping said, "The question is whether these changes will lead to good or bad results. So we should not reject all changes; if we did that, we should never make progress."[16] Change is inevitable and the key is to change for the better. In this sense, different systems can complement each other and a new system can arise through constant interaction, cooperation and integration. The possibility of a new arrangement potentially moving beyond the "One Country, Two Systems" policy cannot be totally ruled out, which however is subject to following conditions:

First, the advantages of integration become greater than those of the "One Country, Two Systems" policy. This would gradually eliminate conflicts between the "two systems" and

maximize benefits for the state and the SARs, creating the condition for change, which may only appear after a long period.

Second, integration should be a natural voluntary process rather than being imposed and mandatory. If any change were to be forced on "two systems", such external imposition would be detrimental to the "One Country, Two Systems" policy and its continuation and systematic progress. Only natural integration of "two systems" driven by intrinsic forces in the "One Country, Two Systems" policy can enable system change and ensure continuation and development of the "One Country, Two Systems" policy.

Given such being a natural evolution, no goals and time requirements should be set. If change were to be a goal, some would be anxious about its outcome and others would make haste, interrupting and putting an end to natural and voluntary progress. It would only intensify rather than transcend contention over political systems. Our stance should be to endeavor for the success of the cause of "One Country, Two Systems", while being open-minded about change beyond the "One Country, Two Systems" policy.

Notes:

1   Xue Baosheng (2012). Hong Kong: A Great Symbol of "One Country, Two Systems". *China Viewpoint*. 1st July 2012.

2   *Ibid.*

3   *Ibid.*

4   Zhou Bajun (2012). The Commentary Playing Down "One Country" is Wrong. *Ta Kung Pao*. 17th July 2012.

5   *Ibid.*

6   Shi Yingqiang (2012). Hong Kong should Move beyond the Basic Law and "One Country, Two Systems". *Hong Kong Facsimile*. In the RFI Chinese website: http://www.chinese.rfi.fr/%E4%B8%AD%E5%9B%BD/20120317. 17th March 2012.

7   Qiu Liben (2008). From "One Country, Two Systems" to "One Country, One Good System". In the personal weblog of the author: http://www.sgwritings.com/17625/viewspace_19740.html. 29th November 2008.

8   Deng Xiaoping (2004). *Deng Xiaoping on One Country, Two Systems*. Hong Kong: Joint Publishing Hong Kong Limited. 1.

9   *Ibid.*, 15.

10   *Ibid.*, 15.

11   Ng Chi-sum (2012). The Gradual Fading of "One Country, Two Systems". In the website of *Ming Pao*: http://www.mingpaotor.com/htm/News/20120628/HK-gfp1_er.htm. 28th June 2012.

12   Xinhua News Agency (2009). Hong Kong has Remained as the World's Freest Economy in the Index of Economic Freedom since its Return. 29th June 2007. Xinhua News Agency (2009) On the Tenth Anniversary of Macao's Return: Statistics Demonstrate Development and Changes in Macao. 13th December 2009.

13   The Heritage Foundation and the *Wall Street Journal* published the Index of Economic Freedom on 16th January 16 2007, ranking Hong Kong as the world's freest economy for thirteen consecutive years. With 100 being the full mark, Hong Kong scored the highest – 89.3 points, 3.6 points higher than the runner up Singapore. Out of ten categories, Hong Kong scored the highest points in four categories including trade freedom, investment freedom, financial freedom and property freedom.

14   Deng Xiaoping (2004). *Deng Xiaoping on One Country, Two Systems*. Hong Kong: Joint Publishing Hong Kong Limited. 54.

15   *Ibid.*, 64.

16   *Ibid.*, 18.