Support for Democracy and Propensity to Emigrate from Hong Kong

Brandon Alexander Millan and Joel S. Fetzer

Abstract

After Beijing’s refusal to grant Hong Kongers’ demands for free elections for Chief Executive during the Umbrella Movement of 2014, many young citizens began to question their future in the SAR—especially given the ever more threatening count-down to 2047. This paper applies Albert Hirschman’s theory of “exit, voice, and loyalty” to the political and migratory situation in Hong Kong by testing whether dissatisfaction with the local political regime and pessimism about the prospects for political reform are driving a new wave of emigration to Taiwan, Australia, Canada, and the United States. After reviewing official census and migration data from the five regions and estimating a structural-equation model in AMOS of data from the 2015 Asian Urban-Wellbeing Indicators survey, we conclude that support for democracy is becoming an increasingly large push factor for Hong Kongers considering moving abroad to areas that are more politically liberal even if not necessarily more affluent. After the failure of “voice,” then, Hong Kong’s democrats feel they have no other option but “exit.”

Keywords: Umbrella Revolution; 2014 Hong Kong protests; Albert Hirschman; Hong Kong; democratization; human rights; brain drain; emigration.

You can lock up our bodies, but not our minds! We want democracy in Hong Kong. And we will not give up.

- Imprisoned Hong Kong democracy activist Joshua Wong Chi-fung, @joshuawongcf

Some people say that we are emigrating but I feel like we are refugees escaping from Hong Kong.

- Former Hong Kong resident Terence Ta on his pending emigration to Taiwan

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The global authoritarian resurgence has been cruel to Asian democrats. Once seen as potential models of transition, these young democracies or hybrid regimes have reversed the progress of political liberalization. Authoritarian rulers have demonstrated a willingness to jail electoral challengers, crackdown on internet dissent and freedom of expression, seize power through coups, sanction extrajudicial killings of critics, undermine lauded democratic institutions, engage in ethnic cleansing, and dissolve opposition parties.

Hong Kong is regressing as well. Although the Chinese Special Administrative Region (SAR) still enjoys its “very high” human development index (HDI) value and Gross Domestic Product (GDP) of $58,322 (USD) per capita, rule of law in the city has, according to Hong

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Kong’s first prisoner of conscience, Joshua Wong Chi-fung, been reduced to “rule by law,” or essentially the will of Hong Kong’s authoritarian rulers.

In 2012, students took to the street to demonstrate against the introduction of a Beijing-imposed patriotic curriculum designed to celebrate the Mainland’s single-party system. By September of 2014, ever more frequent, but independent, pro-democracy protests had merged into what became known as the Umbrella Movement. In opposition to the Standing Committee of the National People's Congress of the People's Republic of China’s (PRC) decision to pre-screen candidates for Hong Kong’s Chief Executive post, protesters demanded an open nomination system. In justifying Beijing’s ruling and responding to demonstrators, Chief Executive Leung Chun-ying commented:

[Y]ou look at the meaning of the words ‘broadly representative,’ it’s not numeric representation. You have to take care of all the sectors in Hong Kong as much as you can, and if it’s entirely a numbers game and numeric representation, then obviously you would be talking to half of the people in Hong Kong who earn less than $1,800 a month. Then you would end up with that kind of politics and policies.

Unimpressed with this reasoning, the demonstrations peaked at 100,000 participants and Hong Kong’s largest protest in a decade ended after 79 days when police dispersed participants with force.

Reminding Hong Kong that it’s now just another PRC city, President Xi Jinping attended the twentieth anniversary celebration of the handover on July 1, 2017 and the inauguration of the
SAR’s fifth administration. Adding symbolism to the visit, the People’s Liberation Army’s Navy marked the occasion with an unprecedented port call by its first aircraft carrier, the Liaoning.20 Meanwhile, in an attempt to guard the Beijing delegation from “embarrassment,” the city government removed all political banners and images from the official route, banned demonstrators from assembling in Victoria Park, and deployed 9,000 of the city’s 27,000 police officers.21 Nevertheless, sporadic large-scale protests are on the rise. In 2016, authorities in Hong Kong recorded 11,854 public assemblies and 1,304 public processions of more than 50 and 30 people respectively.22 The total increase of 7,129 permitted civic activities year-on-year indicates a more present citizen engagement in response to Beijing’s encroachment on the city’s political space.

At the same time as mass political participation was increasing, one in five residents were considering emigration.23 These figures appear to correspond with the Security Bureau’s emigration statistics. According to jurisdiction estimates, 7,600 Hong Kongers moved abroad in 2016—exceeding the previous year by 8.6%.24 Of course, this is not the first time Hong Kong has experienced emigration. For example, during the post-WWII years, fearing an end to their traditional way of life and confronting industrialization, many indigenous inhabitants of the New Territories chose instead to relocate to the United Kingdom. Additionally, prolonged social unrest in the late 1960s to mid-1970s, caused well-positioned residents to move to Southeast Asia, South Africa or South American countries. However, whereas earlier waves were prompted by economic and physical insecurities, the signing of the "Sino-British Joint Declaration" in 1984 and later the

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Tiananmen Square massacre of 1989 provoked large-scale population flight during which Hong Kongers chose to “[vote] with their feet” rather than attempt to express their indignation.

According to the conundrum first presented in Albert O. Hirschman’s classic treatise *Exit, Voice, and Loyalty* individuals confronting an unfavorable situation face three possible options. Applied to political migration, “exit” can be seen as leaving the status quo country, “voice” is the option of publicly stating grievances, and “loyalty” is expressed by remaining within national borders without communicating one’s dissatisfaction. While Hirschman introduced the former two options as mutually exclusive, some scholars have noted that “exit does not mean abandoning the option of voice, but rather a change of context for its articulation” and that “[f]rom ‘exit’ or ‘voice,’ the choice has thus become ‘exit’ and ‘voice’.”

In the Fall of 2014, Hong Kong appears to have arrived at such a critical moment in its political decline. Our theoretical goal in this paper is to determine if ordinary Hong Kongers perceived their choice at the time as emigration versus political participation or if they instead saw the two options as independent of one another. Despite wide media coverage, relatively few English-speaking writers have produced scholarship on the migratory implications of these demonstrations. This study uses a previously unexplored Hong Kong dataset from 2015, less

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than nine months after the participants of the Umbrella Revolution cleared the streets, to analyze the causal factors of public support for democracy and propensity to emigrate from Hong Kong.

**FIGURE 1 ABOUT HERE**

Of the respondents who indicated they “personally care” “a lot” about the “[q]uality of government” in Hong Kong (see Figure 1), 159 out of 210 total interviewees said they had little or no say “in the decision that affect them” (question 11.2). Only 1.7 percent of respondents stated that he or she had “a lot” of political influence in Hong Kong. A similar story appears from Hong Kongers’ views on “government’s performance in” “[l]istening to residents’ views” (question 11.1b). Here, none of the 210 respondents were “very satisfied”, whereas, 197 expressed varying degrees of dissatisfaction.

**Hypotheses**

Testing our Hirschman-based theory against our existing public-opinion dataset, we would like to determine the extent to which Hong Kongers in 2015 chose between “Exit” (emigration), “Voice” (the movement), and “Loyalty.” If the ternary-choice hypothesis is correct, Democracy Support will have a positive effect on Propensity to Exit for respondents wanting to Exit; a negative effect for interviewees selecting Voice; and no effect for those choosing Loyalty. Previous studies of the determinants of emigration in East Asia suggest that among socioeconomic status variables, well-educated Hong Kongers, high-income earners and those on the upper end of the occupational spectrum would be more likely to leave the SAR. Although the literature suggests that some Hong Kong pensioners move to Mainland China to take advantage of the lower cost of living,
younger residents contribute more to human capital flight than do their elders. Similarly, we would also expect Hong Kongers with foreign cultural and familial ties, specifically those identifying as Christian or with family members living abroad, to be more inclined to emigrate.

Data and Methods

To test these hypotheses about democracy and emigration, this paper uses structural-equation modeling (SEM) to analyze data from the first wave of the Asian Urban-Wellbeing Indicators survey, which principal investigators Carine Lai and Michael E. DeGolyer conducted in August 2015 using computer assisted telephone interviews in Cantonese, Putonghua and English of 1,508 quota-sampled Hong Kongers aged 18-65. Interlocking quotas were set based on age (under 40 and over) and gender according to the most recent (2011) available official census. Within the interlocking quotas, non-interlocking quotas were set for age bands 18-29, 30-39, 40-49, 50-59 and 60-65. For the purposes of this paper, we ended up with 1,246 usable data, including those for 15 non-residents and 129 students.

*** FIGURE 2 ABOUT HERE ***

Propensity to emigrate is more complex than a single push or pull factor. Therefore, we will define Propensity to Exit as both the inclination to emigrate and the pressure to migrate. We were able to identify usable questions to measure these two aspects of Propensity to Exit. Out of the universe of all questions, we chose one indicator for each of the two components of emigration. Our inclination to emigrate indicator was whether the respondent, if given the chance, would “stay in Hong Kong”, “move away”, or “[didn’t] know” (question 1.1). On the other hand, we measured pressure to migrate on a zero-to-ten scale indicating how the interviewee scored the quality of her/his own “life as a whole” (question 1.6).

Our first independent variable was Democracy Support. The four indicators we used to create a democracy index were: the degree in which interviewees were “overall [satisfied] with [the] quality of government in Hong Kong” (question 1.8j), “personally care[ed] about [the] quality

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37 Carine Lai and Michael E. DeGolyer, “Asian Urban-Wellbeing Indicators: Hong Kong, Singapore, Shanghai, 2015-2016, First Report,” Civic Exchange, 2016. The analysis and interpretations in this paper in no way reflect the opinions of Civic Exchange or the producers or collectors of these data.
of government” (question 1.9j), whether Hong Kong had “become a better or worse place to live” (question 1.3), and a one-to-one hundred scale measuring the political freedom of each respondent’s ideal place of residence (question 1.2). Foreign Ties was our second independent variable. The two indicators were whether interviewees had “any parents, children, brothers, sisters, or a spouse living overseas” (question 12.14), and if respondents were “Catholic” or “Protestant” (question 12.6). Finally, to determine SES, we used the following three indicators: completed “level of education” (12.3); “total household income” percentile (question 12.21); and whether their occupations were classified as “managers & administrators” or “professionals” (question 12.5).

We recognize that our operationalization of the above-mentioned dependent and independent variables is not perfect, but we believe it is the best possible to achieve identification in SEM using secondary analysis of this pre-existing data set.

*** FIGURE 3 ABOUT HERE ***

The first issue we explored was the extent to which Hong Kongers wanted to exit the city in 2014. Figure 3 indicates the percentage of our respondents who answered “stay in Hong Kong”, “move away”, or “don’t know” when asked “if you could freely choose to live anywhere in the world, [what would you do?]”. As this graphic demonstrates, 530 respondents’ (42.5%) indicated that they would leave Hong Kong, if given the opportunity. Figure 3 then summarizes the preferred country of immigration of respondents who answered “move away” in the previous figure. Australia topped the list at 18.5%, followed by the Taiwan at 12.5%. Only slightly fewer Hong Kongers intended to emigrate to Canada (11.1%) and the United Kingdom (10.9%). Other top destinations include Japan (8.1%), and the United States (7.5%).

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41 Freedom House’s “Freedom in the World 2016” data analyzed in this paper covers developments in 195 countries and 15 territories from January 1, 2015, through December 31, 2015. Neither the producers nor distributors are responsible for our analysis or interpretations. Note: North America = United States and Canada (assumed respondents were not thinking about Mexico); “Europe” = Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech, Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kazakhstan, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Moldova, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Russia, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, and United Kingdom (no data for Vatican City); “North Europe” = Denmark, Finland, Iceland, Norway Sweden, Republic of Ireland, the United Kingdom, the Netherlands, Belgium, Luxembourg, and Germany; “Western Europe” = Andorra, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, and United Kingdom; “Asia” = Afghanistan, Armenia, Azerbaijan, Bahrain, Bangladesh, Bhutan, Brunei, Cambodia, China (and Tibet), Cyprus, Georgia, India (and Indian Kashmir), Indonesia, Iran, Iraq, Israel, Japan, Jordan, Kazakhstan, Kuwait, Kyrgyzstan, Laos, Lebanon, Malaysia, Maldives, Mongolia, Myanmar (aka Burma), Nepal, North Korea, Oman, Pakistan (and Pakistani Kashmir), Palestine (i.e. West Bank and Gaza Strip), Philippines, Qatar, Russia, Saudi Arabia, Singapore, South Korea, Sri Lanka, Syria, Taiwan, Tajikistan, Thailand, Timor-Leste, Turkey, Turkmenistan, United Arab Emirates, Uzbekistan, Vietnam, and Yemen; “Better Air Quality” = Malaysia, Taiwan, South Korea, Japan, Singapore, and Brunei (based on 2017 data from Numbeo accessed on May 26, 2017 at https://www.numbeo.com/pollution/rankings_by_country.jsp?title=2017&region=142; limited to East Asia); “Don’t Know” and “Non Specific” = Hong Kong value.
In order to test the net effect of democracy support on emigration, we estimated the three structural-equation models (one each for all respondents, all women, and all men) using maximum likelihood. We assumed that Democracy Support, Foreign Ties, and SES directly affected Propensity to Exit, but the first two could also have had an indirect effect on each other. Our modelling also made the assumption that SES causes Democracy Support which in turn causes Propensity to Exit. Although we focused mainly on the effects of democracy support, foreign ties, and SES, we also controlled for age. Convergence was reached after 42 iterations in the maximum-likelihood routine.

Findings

Table 1 presents the results of our regression analysis. As anticipated, Democracy Support increased the interviewees’ propensity to leave Hong Kong in all models (b = .89, p < .05; b = .80, p < .05; b = .97, p < .05; respectively). Older respondents, on the other hand, appear less eager to leave the SAR (b = -.24, p < .05 for total sample; b = -.31, p < .05 for sample of women; and b = -.17, p < .05 for men).

Some of our substantive or control variables produced a few unexpected results. Despite the assumption that those with family ties would be more likely to want to exit, our related proxies (i.e., having family abroad, Christian) did not reach statistical significance in any of the three models. Perhaps because Churches are a fixture of Hong Kong’s civil society\textsuperscript{42} and the surveyors appear to have over-sampled the Christian population (22.6 percent versus 11.8 percent\textsuperscript{43}), this variable had no effect. Also intriguing is that across Models 2 and 3, SES had no effect. In Model 1, however, individuals on the upper end of the spectrum (i.e. highly educated, upper income, white collar) showed a reduced propensity to emigrate (b = -.32, p < .1). We also noted that SES had a positive, but not statistically significant, direct effect on Democracy Support.

Discussion

Thus, the most weighty empirical finding from our regression analysis above is that support for democracy has become by far the single most-important motivator of brain drain and emigration from Hong Kong. Although age also produced a statistically significant effect, none of the other

\textsuperscript{42} Carl T. Smith, \textit{Chinese Christians: Elites, Middlemen, and the Church in Hong Kong} (Hong Kong: Hong Kong University Press, 2005)

substantive or control variables reach this level. We were surprised, however, that neither higher SES nor foreign ties consistently produced any pro-emigration sentiments.

In contrast to earlier studies on the effects of SES on brain drain from Hong Kong over the last five decades, we find that being affluent makes one less likely to leave the city, at least in the total sample. We would hypothesize that this difference stems from the divergent fears of affluent Hong Kongers before 1997, as opposed to now. When the Beijing government was still arguably socialist, rich Hong Kongers may well have feared losing their wealth to Mao-style expropriation. Now that the CCP is only too happy to protect capital from the demands of workers, a typical Hong Kong C-suite executive has nothing to fear from a Beijing takeover, but might remain very apprehensive about true democracy in the SAR. According to the dean of the law school at Tsinghua University in Beijing and the central government’s Hong Kong adviser, Wang Zhenmin,

Democracy is a political matter, it is also an economic matter. A political system by its nature reflects and embodies the economic structure of said particular place. Universal suffrage means the redistribution of economic interests among society’s members. We have to take care of every class. Every group of people. Every person. Rich or poor. No one should be ignored. No one should be left behind. Especially those whose slice of pie will be shared by others upon the implementation of universal suffrage.

The rich today may very well be rational in their assumption that Beijing will protect their assets through government action. For example, Wang again explains in his prepared remarks regarding Beijing’s refusal to allow unrestricted access to the chief executive post, “[rich residents’] slice of pie will be shared by others through universal suffrage. So we have to take full consideration of their concerns. That’s why we require balanced participation. We require nominating committees and functional constituencies.

A bigger mystery is the result for foreign ties. One possible explanation is that our specification for bi-directional causality for foreign and democracy support increased the variance of this estimate so much that statistical significance was impossible to achieve. Another explanation might be finding that self-identified, as opposed to practicing, Christians in the sample were disproportionately affluent and thus less likely to emigrate.

In fine, this case study illustrate the downside of operating an authoritarian regime. Hong Kong’s loss is its democratic neighbors’ gain. If President Xi continues along his path of risking

damage to the Chinese economy in exchange for maintaining political power, the Australian and Taiwanese immigration authorities may find themselves very busy.
Figure 1. Hong Kongers’ Views on Political Efficacy

Source: Hong Kong subset of 2015 Asian Urban-Wellbeing Indicators survey.

Figure 2. Structural-Equation Model of Propensity to Exit from Hong Kong
Figure 3. Hong Kongers’ Attitudes Toward Emigration

Source: Hong Kong subset of 2015 Asian Urban-Wellbeing Indicators survey.
Figure 4. Hong Kongers’ Preferred Country of Destination (Top Six)

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Australia</td>
<td>18.5%</td>
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<tr>
<td>Taiwan</td>
<td>12.5%</td>
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<tr>
<td>Canada</td>
<td>11.1%</td>
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<tr>
<td>UK</td>
<td>10.9%</td>
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<tr>
<td>Japan</td>
<td>8.1%</td>
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<tr>
<td>US</td>
<td>7.5%</td>
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</tbody>
</table>

Source: Hong Kong subset of 2015 Asian Urban-Wellbeing Indicators.

Note: UK also includes respondents who answered “Europe” or “Western Europe”; Canada also includes those who answered “North America”. As some indicated a desire to emigrate to multiple countries, the total exceeds 100%.
Table 1. Regression Models of Propensity to Exit in 2015

<table>
<thead>
<tr>
<th></th>
<th>Model 1 (All)</th>
<th>Model 2 (Female)</th>
<th>Model 3 (Male)</th>
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<tbody>
<tr>
<td></td>
<td>b</td>
<td>SE</td>
<td>b</td>
</tr>
<tr>
<td>Democracy Support</td>
<td>.89 **</td>
<td>.01</td>
<td>.80 **</td>
</tr>
<tr>
<td>Foreign Ties</td>
<td>.18</td>
<td>1.10</td>
<td>.39</td>
</tr>
<tr>
<td>SES</td>
<td>-.32 *</td>
<td>.06</td>
<td>-.48</td>
</tr>
<tr>
<td>Age</td>
<td>-.24 **</td>
<td>.02</td>
<td>-.31 **</td>
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<td>(\chi^2)</td>
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<tr>
<td>Degrees of Freedom</td>
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<td>N</td>
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</table>

Source: Hong Kong subset of 2015 Asian Urban-Wellbeing Indicators.

Note: Equations for Propensity to Emigrate estimated with AMOS. All indicators are dummy variables except for Freedom Score (range = 0 to 100), HKworse (1 to 5), Caregovt (1 to 4), and Govsatisf (1 to 4); Educ (1 to 5), Income (1 to 5); and Age (1 to 5). *p<.1, **p<.05.