

Social Harmony in Hong Kong: Level, Determinants and Policy Implications

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Abstract This study aims at ascertaining how Hong Kong people perceive Hong Kong as a harmonious society. It also identifies the elements that are most conducive to social harmony in Hong Kong, so that the government could take reference when formulating new policies. 1,062 adults residents were asked to rate their perceived level of social harmony and their satisfaction with 36 items (divided into three dimensions: public governance, society, and economy, family and work) for which the research team believes would be influencing the perceived level of social harmony. Results show that the average rating of social harmony was 5.57 (out of 10), delineating a moderate level of social harmony. Subsequent multivariate factor analysis and regression analysis show that the four extracted factors (from the three dimensions) had significant impacts on the level of social harmony. These were, in order of significance: (a) public governance, (b) social solidarity and respect, (c) economy/family/work and, (d) social tolerance and progressiveness. According to the factor loadings of each significant factor, we identified four core values which we hope the government would consider when formulating new policies, as follows: (1) A Justice Government with Sincerity on Communication, (2) Mutual Support and Respect with Integrity and Dedication, (3) Dedication to One's Job and Community by Helping the Needed and, (4) Creativity and Progressiveness with Tolerance. Implications for policy making are discussed.

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1 Background and Aims

Many countries are concerned about the quality of their society and the well-being of their citizens. One of the main factors contributing to social quality, national well-being, or people's fortune is social harmony. As economies develop, the influence of non-materialistic elements contributing to social quality or well-being is becoming greater.

“Harmony” is an age-old subject, and has been recently picked up again as a hot topic. As the economy further grows and politics became more open, fostering social harmony has not only become Mainland China and Hong Kong Special Administration Region (HKSAR) governments' reigning objectives, but also aroused much concern from the general public of these two societies as well.

In China, Premier Wen Jiabao reported in the 2005 National People's Congress that the country has to “actively develop our society and foster social harmony”. In the same year, the 11th 5-year plan has also placed considerable attention to the people's livelihood and fortune, and suggested the use of a “fortune index” to quantify the level of social harmony (Outlook Weekly 2006). When visiting Hong Kong in September 2005, Vice President Zeng Qinghong proposed harmony to be the basis of stability and prosperity. China's policies aim to seek stability, prosperity, and development. Different paces of development in Mainland China's different regions have caused an uneven allocation of resources, voicing a need for the government to implement policies to foster social harmony, such as reducing the rich-poor gap and regional discrepancies. This could be achieved through increasing job opportunities and accelerating the establishment of the safety net, so as to create a buffer against polarized social inequality and discrepancies.

Our national leaders are advocating social harmony. This theme has also been extended to Hong Kong. The Chief Executive Mr. Donald Tsang has clearly laid out fostering social harmony as one of the three major objectives in his policy address in 2005. However, with different backgrounds and environments, it is inevitable that the focus on fostering social harmony in Hong Kong will be very different from Mainland China. After the handover in 1997, years of political debates and tension between the HKSAR government and dissidents has worn out the government. Hence, there is a need to review and improve policies to maintain social harmony, as well as to seek breakthroughs and innovations. The HKSAR government intends to foster social harmony as a means to reduce political tension, yet it has taken little other social factors into account when it tries to strengthen Hong Kong people's cohesion and solidarity.

However, like other countries and regions, Hong Kong's economic restructuring has widened the gap between the rich and the poor. Furthermore, the recent democracy movements, along with other social factors, have made non-economic elements pretty substantial in affecting the city's social harmony. Questions such as how to integrate the social factors into the economic development, how to increase the sense of belonging at work and the quality at home, and how to encourage the public to participate in formulation of public policies should also be considered when devising policies to foster social harmony. We believe that close cooperation among different parties is crucial to achieving social harmony; and that stability could be achieved when different sectors receive equal opportunities for development, from which everyone's support and talent is solicited and everyone is benefited, and eventually social harmony could be achieved.

We believe that the majority of Hong Kong people consciously see the importance of social harmony. The real questions are: What is the current level of social harmony in Hong Kong? How does this level of harmony compare to 2 years before? What do our people anticipate the level of social harmony to be over the next 2 years? But the problem is, which elements are crucial to a harmonious society? Which elements have the greatest influence in Hong Kong's level of social harmony? How do we develop appropriate strategies and policies to enhance social harmony? These are the issues that we have delved into thoroughly in this study.

After thoroughly searching on the web, it was found that there were very few articles or studies about social harmony in Hong Kong. There were about 10 newspaper/magazine articles discussing Hong Kong's social harmony and all of them are personal opinions and views. The Hong Kong Council of Social Service made three suggestions in its annual proposal to the HKSAR Chief Executive in August 2005 on how to foster social harmony in Hong Kong: promote employment and assist the poor, reinforce the function of the family, and increase transparency in decision-making and encouraging public involvement.

The Institute of Asia-Pacific Studies of The Chinese University of Hong Kong conducted a brief survey in early 2006 to investigate the general perception of social harmony in Hong Kong and the methods that should be adopted for improvement. Results showed a conflict of interests between the rich and the poor, between the people and business groups, and between different political agendas, had greatly influenced the city's social harmony. But since this survey provided interviewees with an incomplete set of choices for answers to its questions, and used only simple descriptive analysis, the results and its conclusions were of limited use in understanding the main building blocks of social harmony.

Therefore, the "Fostering Social Harmony Task Force" (Task Force) of the Hong Kong Professionals and Senior Executives Association commissioned the Centre for Corporate Governance and Financial Policy of the Hong Kong Baptist University to conduct a survey in August 2006, aiming to answer the above questions on social harmony and to build a "Hong Kong Social Harmony Index". The next section describes the research methodology adopted to answer these proposed questions.

2 Research Methodology

There is no consensus on the meaning of social harmony in the literature. The Task Force has therefore defined it as the result of a series of civil values being realized in a society. It was studied under the concept of social quality, especially with regards to social cohesion and related elements (Phillips and Berman 2001; Walker and van der Maesen 2003).

Social quality is a concept developed and promoted by a group of European social policy scholars since 1997. This concept aims to implement a justice policy within the European Union to balance policies that were largely led by economic and financial interests. Social quality can set a boundary as to how much citizens can participate in community affairs and its economic activities, ultimately realizing a person's potential in benefiting his or her well-being (Walker and van der Maesen 2003). Social quality includes four inter-related core elements: social-economic security, social inclusion, social cohesion and empowerment to develop individual potential. This social quality assessment system can be used to assess how happy people are and how social and economic policies will affect this level of satisfaction. Although social cohesion is also affected by other elements, social harmony is an important contributing factor.

Social harmony itself involves some very subjective elements and cannot solely be assessed by one objective indicator. Because data cannot be easily collected, there are bound to be disagreements when selecting indicators. Moreover, politicians and organizations, as well as the media, also influence one's subjective views towards social harmony. So care has to be taken when interpreting these research results.

Because this research was experimental with an on-going intention, coupled with limitations in resources and data, it tended to focus on subjective measures. However, we would consider adding some more objective measures (like suicide rates, domestic violence rates, crime rates, strike rates, size and frequency of public demonstrations, etc.) in the future. In the long run, we aim to build a set of comprehensive indices including both subjective and objective indicators, to produce a more comprehensive and representative social harmony index.

This research only looked into Hong Kong related elements. With reference to relevant documents and different types of surveys, the Task Force has come up with three main aspects that would influence the level of social harmony. They were: government, society and economy/family/work. Each aspect was also divided into some ten items. Items were assessed on a 0–10 scale. ‘0’ represents complete dissatisfaction with the level of social harmony or with a certain item that may affect such harmony. ‘10’ represents complete satisfaction with the level of social harmony or with a certain item that may affect such harmony. Factor analysis and regression analysis were used to identify the main causes that affect social harmony in Hong Kong.

The data collection was carried out in August 2006 by using the phone survey system at the Faculty of Social Science, Hong Kong Baptist University. Respondents were randomly selected and 1,062 citizens aged 18 or above were successfully interviewed, with a response rate of 56.5%.

3 Respondents' Characteristics

As shown in Table 1, women in our sample accounted for 60.2% while men accounted for 39.8%. All respondents were over 18 and the median age was 45. In terms of educational attainment, 53.2% were secondary school graduates and 27.6% were degree holders. In terms of family size, 60.5% had three or four family members.

In terms of occupation, 14.7% were clerks and 14.5% were homemakers. Respondents with an average monthly personal income of less than \$10,000 accounted for 42.2%, between HK\$10,000 and HK\$20,000 accounted for 31.3%, and the median was HK\$15,000. The median of monthly household income was HK\$25,000, with 64.4% earning less than HK\$30,000 a month (1 US dollar = 7.8 HK dollars).

Since we filtered out those potential interviewees aged below 18 and younger persons were more likely to answer telephone calls at home, our sample had more respondents aged between 18 and 29 (27% vs. 20.3% in the 2006 census in Hong Kong) but less aged 60 or above (9.4%) when compared with the population of Hong Kong (19.4% in the 2006 census). Our sample also had more women but less men (52.2% women and 47.8% men in the 2006 census), and had higher average monthly household income (with a median of HK\$25,000) than the population of Hong Kong (with a median of HK\$15,000 in the 2006 census).

The distribution of average monthly personal income and family size of our sample was rather similar to those of the 2006 census. We could not compare the distribution of

Table 1 Respondents' profile

Respondents' Characteristic	%
<i>Gender</i>	
Female	60.2
Male	39.8
<i>Age</i>	
18–29	27.0
30–39	19.0
40–49	28.5
50–59	16.1
60 or above	9.4
<i>Educational attainment</i>	
Primary school or below	10.9
Secondary school	53.2
Diploma or associate degree	8.3
University degree or above	27.6
<i>No. of family members living together</i>	
1–2	16.7
3–4	60.5
5 or above	22.8
<i>Occupation</i>	
Clerk	14.7
Homemaker	14.5
Student	11.5
Service and retail salesperson	10.5
Professional	10.1
Manager or administrator	9.9
Retired	9.9
Machine operator and assembler	5.4
Associate Professional	3.7
Unskilled workers or experienced workers in the agricultural and fisheries industry	3.5
Awaiting employment	3.5
Business person	1.4
Other	1.4
<i>Average monthly personal income (in HK\$)</i>	
Less than \$10,000	42.2
\$10,000–\$19,999	31.3
\$20,000–\$29,999	12.8
\$30,000 or above	13.8
<i>Average monthly household income (in HK\$)</i>	
Less than \$10,000	15.0
\$10,000–\$19,999	27.7
\$20,000–\$29,999	21.7
\$30,000–\$39,999	13.6
\$40,000 or above	22.0

respondents' occupation in our sample with that of the 2006 census as our classification of occupation was different from that of the census.

In sum, although some differences in the characteristics of respondents of our sample and those of the Hong Kong population as reported in the 2006 census were observed, these differences were mainly driven by the exclusion of those potential interviewees aged below 18 from our sample, and the higher chance of youngsters and females to answer telephone calls at home. However, we did not have any evidence to suggest these differences to be significant, nor suggest the generalization of our results to the population to be inappropriate.

4 Major Research Findings

4.1 Overall Rating of the Level of Social Harmony

On a Likert scale from 0 to 10, with 0 representing a complete lack of social harmony and 10 representing a very high level of social harmony, the perceived present level of social harmony in Hong Kong registered an average of 5.57 in this research (see Fig. 1). From this we can say that Hong Kong is a moderately harmonious society. This average score is also the "Hong Kong Social Harmony Indicator" as mentioned earlier in this report, and can be used to compare the indices obtained from similar surveys that are planning to be conducted in the future in order to determine the trend of changes.

To further understand the relationships between respondents' characteristics and the Social Harmony Index, we employed the Chi-Square test at the confidence level of 95%. The results suggested a significant negative association between age and the rating of social harmony. Generally, younger people (aged 18–29: 5.95) rated harmony more positively than older ones (e.g. those aged 60 or above: 5.12). (see Table 2)

Respondents' educational attainment, occupation and monthly household income all had a significant positive association with the rating of present level of social harmony. Those with tertiary education level tended to rate social harmony more positively than those with primary education (Table 3). In terms of occupation, students rated it the highest (6.3), whereas those who were unemployed tended to score the lowest (4.83). Families earning less than \$10,000 a month were considered as grassroots and respondents with this level of monthly household income were prone to give lower marks (5.1), while those who were earning a monthly household income of \$40,000 or above tended to rate it more positively (Table 4).

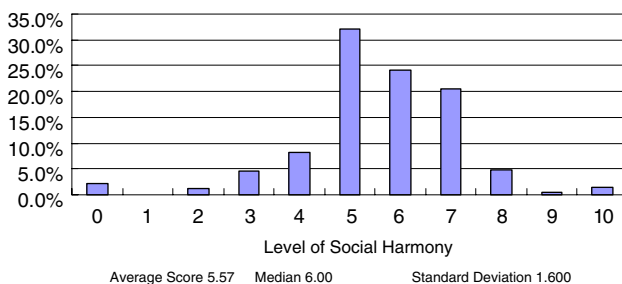


Fig. 1 Rating on the perceived present level of social harmony

Table 2 Age and social harmony ratings

Age	Average social harmony score
18–29	5.95
30–39	5.50
40–49	5.51
50–59	5.41
60 or above	5.12
Chi-square test	79.876**
Linear by linear association	22.886**

** $p < 0.001$ **Table 3** Educational attainment and social harmony ratings

Educational attainment	Average social harmony score
Primary or lower	5.23
Secondary	5.53
Diploma or associate degree	5.85
University or above	5.71
Chi-square test	83.271**
Linear by linear association	7.531**

** $p < 0.001$ **Table 4** Respondents' monthly household income and social harmony ratings

Average monthly household income	Average social harmony score
Less than \$10,000	5.10
\$10,000–\$19,999	5.69
\$20,000–\$29,999	5.63
\$30,000–\$39,999	5.60
\$40,000 or above	5.75
Chi-square test	56.271*
Linear by linear association	7.157*

* $p < 0.01$

4.2 Level of Social Harmony Compared with 2 Years Ago

Compared with 2 years ago, 35.6% of the respondents believed that the current state of social harmony was better, 31.2% thought it had become worse, and 33.2% thought that there were no obvious changes at all (see Fig. 2). If we quantified this change with -1 marks as “worsened”, 0 as “no change” and $+1$ as “improved”, we would get an overall average of $+0.04$, which suggested a slight net increase in the level of social harmony over the past 2 years. The 33.2% of respondents who answered “no change” could be considered as a persuadable group inclined to alter their views under the influence of political, social and economical environments. On the other hand, respondents' background did not show a significant association with the level of change compared with 2 years ago.

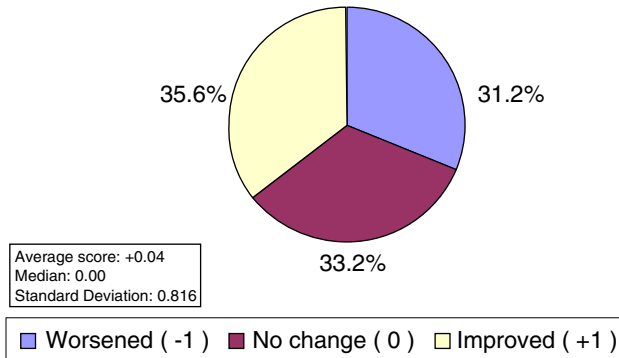


Fig. 2 Level of social harmony compared with 2 years ago

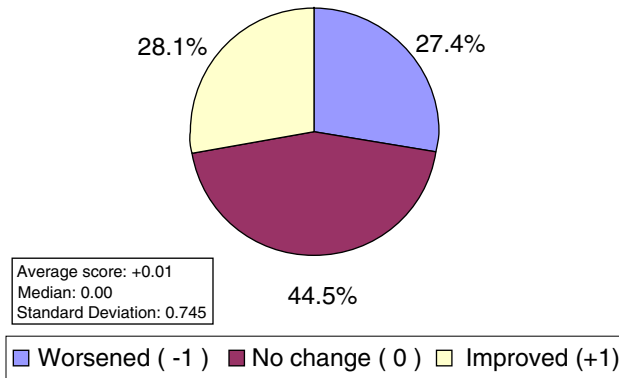


Fig. 3 Level of social harmony anticipated in coming 2 years

4.3 Level of Social Harmony Anticipated in 2 Years' Time

About 28.1% of respondents anticipated an improvement in social harmony over the next 2 years, which was higher than the 27.4% who thought otherwise. Those who held a neutral opinion and anticipated no change took up the remaining 44.5% (see Fig. 3). If we adopted the same rating scale in Sect. 4.2 (i.e.: worsened: -1, no change: 0, and improved: +1), the overall average would be +0.01, which suggested only a very minor improvement anticipated in the coming 2 years. If we compared this to the ratings 2 years ago, we could clearly identify a larger portion of respondents who held a more neutral view. This result could be interpreted as some citizens had some reservations about the level of social harmony in Hong Kong in the near future because of a lack of confidence.

4.4 Satisfaction Ratings on Items Affecting Social Harmony

In this research, we categorized elements affecting social harmony into three areas or aspects. These were: public governance, social level, and economic/family/work. Rating was on a scale of 0–10, with 0 representing complete dissatisfaction with a certain item,

and 10 representing complete satisfaction for that particular area. Scores of items under each area would be added to produce an overall average score.

4.4.1 Public Governance

This first area related to the government or public governance had an average score of 5.85, which suggested an acceptable level for the performance of the HKSAR government. Six out of 13 items received a score of 6.0 or higher; all other items were rated in the range between 5 and 6. Items like “a sound legal system” (6.66), “a corruption-free administration” (6.54) and “freedom” (6.51) received the highest ratings. These three items had been the pride and honor of Hong Kong people for a long time. The other three items include: “good relationship with its citizens” (6.27), “a just administration” (6.18) and “an open attitude, and encourages the public to participate in civil affairs” (6.04) (see Table 5).

The two items scored lower were both concerning leadership. “The government is willing to communicate with people with different views” in particular had the lowest rating of only 5.03, making this item barely acceptable. “The government has vision and a sense of direction” was rated the second lowest with a score of 5.23 on average.

4.4.2 Society

The second area was on some social values and encompassed exchange and interactions among individuals, communities, ethnic groups, nature and etc. The overall average satisfaction score in this area was 5.75, which was considered to be at an acceptable level. Three out of fourteen items had an average score above 6, and all other items were within the range between 5 and 6 (see Table 6).

Table 5 Public governance

Public governance items	Average score	Standard deviation
1. The government has maintained a sound legal system	6.66	1.798
2. The government has remained corruption-free	6.54	1.833
3. The government has maintained the freedom (of markets, speech, media)	6.51	1.867
4. The government has maintained good relationship with its citizens	6.27	1.696
5. The government has maintained a just administration	6.18	1.807
6. The government maintains an open attitude, and encourages the public to participate in civil affairs	6.04	1.895
7. The government has maintained political harmony and has reduced conflict	5.82	1.826
8. The government maintains a level playing field and prevents collusion with the business sector	5.53	2.115
9. The government’s policies are transparent	5.53	1.896
10. The government respects accountability and takes up responsibility	5.40	2.034
11. The government’s effort in promoting democracy	5.35	2.025
12. The government has vision and a sense of direction	5.23	1.823
13. The government is willing to communicate with people with different views	5.03	1.876
Overall average score	5.85	1.884

The respondents tended to hold a higher regard towards a society with “diversity and multi-values” (6.51), “compliments” (6.09) and an “energetic” society (6.01). Diversity and multi-values are reflected in the acceptance and respect of different ethnic cultures and religions. Hong Kong is a place where the East and the West converge, and extreme racial or religious conflicts rarely occur. Hong Kong people generally maintain an open attitude to new concepts and things. Open compliments also scored respectably, as did an energetic society. Hong Kong has limited natural resources; meaning human resources are very important assets. An energetic (6.01) and progressive (5.9) society brings opportunities to the community and is extremely important to society’s development.

In lower scoring items, trust between different levels of societies and communities received only an acceptable score of 5.2. Different interest groups might have their own agendas, which affect the successful building of mutual trust. Harmony between man and nature also received an acceptable rating of 5.21.

When a community learns to respect their own environment, there would also be respect (5.57), acceptance (5.70) of other values, as well as willingness to contribute (5.63). The other mid-range items included rational discussions and expression of ideas (5.91), positive attitude (5.87), credibility (5.65), team spirit /cohesion (5.68) and mutual aid (5.58).

4.4.3 Economics, Family and Work

This third area revolves around the economic, family and work items, which scored an acceptable average of 5.43, though relatively lower than the average scores of the first two aspects. Of the nine items, only one item received a score over 6, two items scored lower than 5, which could be regarded as a poorer rating (see Table 7).

Economic development showed a very satisfactory score with the highest of 6.2 among all the items in this area, followed by improved employment opportunities with an average score of 5.79.

Table 6 Ratings on society

Society items	Average score	Standard deviation
1. Diversity and multi-values (race, religion, culture)	6.51	1.752
2. Compliments (openly praise good people and good deeds)	6.09	1.796
3. Energetic	6.01	1.661
4. Rational discussions and expression of ideas	5.91	1.673
5. Innovativeness and progressiveness	5.90	1.704
6. Positive attitude	5.87	1.600
7. Tolerance (accepting difference in opinions, forgiveness, sympathy)	5.70	1.687
8. Team spirit and cohesion	5.68	1.742
9. Credibility	5.65	1.661
10. Contribution (including donations, time, voluntary work etc)	5.63	1.765
11. Mutual aid	5.58	1.714
12. Mutual respect	5.57	1.666
13. Harmony between man and nature (environmental protection)	5.21	1.898
14. Mutual trust (trust between different levels of society and communities)	5.20	1.605
Overall average	5.75	1.709

Table 7 Ratings on economic, family and work

Economy, family and work items		Average score	Standard deviation
1.	Economic development	6.20	1.626
2.	Employment opportunities	5.79	1.711
3.	Personal satisfaction at work	5.67	1.999
4.	Protection of worker rights	5.60	1.831
5.	Harmony and cohesion within the family	5.54	1.627
6.	Employment relations	5.54	1.563
7.	Livelihood (helping the disadvantaged and the low-income group)	5.26	1.792
8.	Distribution of wealth and income	4.90	1.784
9.	Relationship between the public and large business groups	4.41	1.762
Overall average		5.43	1.744

Two items scored below 5. One of them was the relationship between the public and large business groups with an average score of only 4.41. This highlights the tension and conflict between these two groups, which deserves more attention. Large business corporations should take social responsibility more seriously and should not blatantly act for their own benefits. Distribution of wealth and income was scored 4.9, reflecting how Hong Kong people were expecting to narrow the gap between the rich and the poor. This issue deserves more attention.

The other five items, including: personal satisfaction at work (5.67), protection of worker rights (5.6), harmony and cohesion within the family (5.54), employment relations (5.54), and livelihood (5.26) were all rated at an acceptable level.

4.5 Bivariate Correlation Analysis

The Pearson Coefficient Correlation Analysis (see Tables 8–10) shows that social harmony and the three areas, i.e. public governance, society, and the economic/family/work, were positively correlated. Even within the same area or aspect, or across the other areas, the data tended to be inter-related. In the public governance area, the largest coefficient was for the relationship between the government's being free of corruption and its maintenance of a just administration (0.742). In the society area, rational discussions and expression of ideas and tolerance had the highest correlation coefficient of 0.761. In the economic/society/work aspect, the correlation coefficient for employment opportunities and economic development was 0.732. Since these correlation coefficients were smaller than 0.8, there should not be a serious problem of multicollinearity among different items. Subsequent statistical analyses later in this report also proved this assumption.

On the other hand, items of these three areas were also positively correlated with the social harmony index; these would be helpful in the factor analysis.

Table 8 Correlations between public governance items and social harmony

Public governance items	Present level of HK's social harmony	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
(a) The government has vision and a sense of direction	0.422													
(b) The government is willing to communicate with people with different views	0.376	0.684												
(c) The government has remained corruption-free	0.410	0.505	0.487											
(d) The government has maintained a just administration	0.432	0.599	0.616	0.742										
(e) The government maintains a level playing field and prevents collusion with the business sector	0.385	0.612	0.596	0.604	0.717									
(f) The government maintains an open attitude, and encourages the public to participate in civil affairs	0.343	0.517	0.569	0.485	0.594	0.606								
(g) The government has maintained good relationship with its citizens	0.365	0.572	0.584	0.613	0.652	0.615	0.726							
(h) The government respects accountability and takes up responsibility	0.360	0.623	0.617	0.539	0.630	0.648	0.620	0.662						
(i) The government's policies are transparent	0.372	0.576	0.584	0.561	0.648	0.630	0.602	0.652	0.720					
(j) The government has maintained the freedom (of market, speech, media)	0.360	0.484	0.534	0.486	0.592	0.547	0.549	0.584	0.573	0.669				
(k) The government's efforts in promoting democracy	0.325	0.562	0.653	0.404	0.536	0.552	0.620	0.578	0.641	0.623	0.696			
(l) The government has maintained a sound legal system (including protective individual freedom and wealth)	0.330	0.456	0.499	0.556	0.603	0.552	0.576	0.608	0.550	0.602	0.675	0.640		
(m) The government has maintained political harmony and has reduced conflict	0.414	0.595	0.621	0.540	0.662	0.622	0.639	0.679	0.654	0.639	0.652	0.704	0.663	

Note: All correlations are significant at the 0.001 level

Table 9 Correlations between society items and social harmony

Society items	Present level of HK's social harmony	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
(a) Mutual trust (trust between different levels of society and communities)	0.391														
(b) Mutual respect	0.389	0.731													
(c) Mutual aid	0.312	0.606	0.681												
(d) Contribution (including donations, time, voluntary work etc)	0.239	0.454	0.478	0.613											
(e) Credibility	0.348	0.613	0.606	0.593	0.639										
(f) Compliments (openly praise good people and good deeds)	0.282	0.521	0.526	0.509	0.511	0.603									
(g) Rational discussions and expression of ideas	0.294	0.483	0.529	0.490	0.508	0.549	0.587								
(h) Tolerance (accepting difference in opinions, forgiveness, sympathy)	0.347	0.535	0.563	0.533	0.516	0.589	0.586	0.761							
(i) Positive attitude	0.368	0.571	0.611	0.549	0.530	0.636	0.598	0.598	0.678						
(j) Team spirit and cohesion	0.317	0.519	0.584	0.550	0.532	0.555	0.516	0.573	0.582	0.681					
(k) Energetic	0.278	0.441	0.504	0.442	0.430	0.507	0.511	0.515	0.537	0.619	0.652				
(l) Innovativeness and progressiveness	0.234	0.417	0.458	0.405	0.439	0.501	0.521	0.534	0.547	0.585	0.534	0.652			
(m) Harmony between man and nature (environmental protection)	0.268	0.518	0.503	0.488	0.457	0.453	0.401	0.473	0.453	0.488	0.512	0.432	0.467		
(n) Diversity and multi-values (race, religion, culture)	0.283	0.368	0.403	0.397	0.368	0.400	0.414	0.514	0.477	0.447	0.439	0.477	0.502	0.457	

Note: All correlations are significant at the 0.001 level

Table 10 Correlations between economic, family and work items and social harmony

Economic, family and work items	Present level of HK's social harmony	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
(a) Economic development	0.358								
(b) Employment opportunities	0.362	0.732							
(c) Distribution of wealth and income	0.353	0.545	0.588						
(d) Relationship between the public and large business groups	0.384	0.519	0.553	0.691					
(e) Livelihood (helping the disadvantaged and the low-income group)	0.322	0.538	0.520	0.561	0.622				
(f) Harmony and cohesion within the family	0.360	0.475	0.482	0.489	0.519	0.587			
(g) Employment relations	0.339	0.526	0.512	0.564	0.542	0.582	0.613		
(h) Protection of worker rights	0.294	0.502	0.530	0.551	0.508	0.623	0.582	0.683	
(i) Personal satisfaction at work	0.277	0.490	0.480	0.464	0.433	0.465	0.481	0.611	0.535

Note: All correlations are significant at the 0.001 level

4.6 Factor Analysis

We adopted the Principal Components method, commonly used in factor analysis, to identify representative factors for all those items. On the basis of Eigenvalues larger than 1.0, four factors were extracted. The variance explained due to Factors 1, 2, 3 and 4 were: 19.6%, 15.7%, 15.4% and 13.3%, respectively. The components of all these identified factors were extracted by using all available rotation methods, but only the results obtained from the Equamax method did not violate the basic principle of factor analysis, while other rotation methods yielded only one component item in one of the identified factors (see Table 11). Results show that the factor loadings of all component items were above the minimum threshold of 0.50. Factor 1 encompasses public governance with thirteen items. The original society area was divided into two Factors, namely Factor 2: social cohesion and mutual respect with nine items in total; and Factor 4, tolerance and progressiveness with five items. Factor 3 was related to the economy/family/work area with nine items. The Cronbach's Alpha for each individual factor was above 0.86, suggesting that internal consistency and reliability were pretty high.

4.7 Regression Analysis

Regression analysis was performed to investigate how the four factors identified earlier would affect the perceived present level of social harmony rating after having controlled respondents' characteristics. For this reason, the following model was developed:

$$Y = \alpha + \beta_1 F_1 + \beta_2 F_2 + \beta_3 F_3 + \beta_4 F_4 + \gamma_1 C_1 + \gamma_2 C_2 + \gamma_3 C_3 + \gamma_4 C_4 + \gamma_5 C_5 + \gamma_6 C_6 + \varepsilon,$$

Table 11 Components of factors identified

Factor 1: Governance	Factor loading
1. The government has maintained a just administration	0.744
2. The government is willing to communicate with people with different views	0.733
3. The government respects accountability and takes up responsibility	0.703
4. The government maintains a level playing field and prevents collusion with the business sector	0.701
5. The government has maintained a good relationship with its citizens	0.690
6. The government's policies are transparent enough	0.689
7. The government has maintained political harmony and has reduced conflict	0.687
8. The government has vision and a sense of direction	0.685
9. The government maintains an open attitude, and encourages the public to participate in civil affairs	0.650
10. The government's efforts in promoting democracy	0.648
11. The government has remained corruption-free	0.634
12. The government has maintained the freedom (of markets, speech, the media)	0.625
13. The government has maintained a sound legal system (including protecting individual freedom and wealth)	0.604
<i>Variance explained: 19.639%</i>	
<i>Cronbach's Alpha: 0.952</i>	
Factor 2: Social cohesion and mutual respect	Factor loading
1. Mutual aid	0.745
2. Contribution (including donations, time, voluntary work and etc.)	0.672
3. Mutual trust (trust between different levels of society and communities)	0.670
4. Mutual respect	0.669
5. Credibility	0.668
6. Innovativeness and progressiveness	0.576
7. Team spirit and cohesion	0.566
8. Compliments (openly praise good people and good deeds)	0.558
9. Harmony between man and nature (environmental protection)	0.500
<i>Variance explained: 15.713%</i>	
<i>Cronbach's Alpha: 0.908</i>	
Factor 3: Economic/Family/Work aspects	Factor loading
1. Employment relations	0.701
2. Distribution of wealth and income	0.698
3. Employment opportunities	0.671
4. Personal satisfaction at work	0.664
5. Livelihood (helping the disadvantaged and the low-income group)	0.658
6. Relationship between the public and large business groups	0.643
7. Protection of worker rights	0.642
8. Harmony and cohesion within the family	0.612
9. Economic development	0.593
<i>Variance explained: 15.441%</i>	
<i>Cronbach's Alpha: 0.916</i>	
Factor 4: Tolerance and progressiveness	Factor loading
1. Diversity and multi-values (race, religion, culture)	0.661

Table 11 continued

Factor 1: Governance		Factor loading
2.	Energetic	0.638
3.	Innovativeness and progressiveness	0.638
4.	Rational discussions and expression of ideas	0.602
5.	Tolerance (accepting difference in opinions, forgiveness, sympathy)	0.572
<i>Variance explained:13.278%</i>		
<i>Cronbach's Alpha: 0.86</i>		
Total variance explained by all the four factors:64.071%		

where: the dependent variable is

Y = the perceived present level of social harmony rating in Hong Kong; the independent variables are:

- F₁ = the factor score of governance,
- F₂ = the factor score of social cohesion and mutual respect,
- F₃ = the factor score of economic/family/work aspects, and
- F₄ = the factor score of tolerance and progressiveness;

the control variables are:

- C₁ = sex,
- C₂ = age,
- C₃ = education attainment,
- C₄ = family size,
- C₅ = monthly personal income, and
- C₆ = monthly household income;

α , β and γ are constants; and ε is the residue variable.

Because bi-variate correlation coefficients of all the independent and control variables were all below 0.8, the largest VIF (Variance Inflation Factor) was 2.397 (lower than the standard 5), and a tolerance of 0.417 (larger than the standard 0.1), the problem of multicollinearity did not seem to be visible.

Results showed that all the four factors had a significant influence on the perceived present level of social harmony rating (see Table 12). The adjusted R-square for the model was 24.6%, which was considered rather significant. This suggests all the four factors must be taken into account in order to improve the level of social harmony in Hong Kong. By ranking according to its level of importance (i.e. beta coefficients), the four factors were: public governance, social cohesion and mutual respect, economy/family/work aspects and, tolerance and progressiveness. In view of limited resources available, more resources should be devoted to the factors of governance and social cohesion and mutual respect to solicit higher improvement in the level of social harmony in Hong Kong. At the same time, resources should be spent to find out what drives the remaining 75% of variance of the social harmony level in Hong Kong.

The regression analysis results also showed that none of the control variables were significant at the 0.05 level. Only age was marginally significant with a p-value of 0.052. In other words, the sex, educational attainment, family size, and monthly personal and household income of Hong Kong people did not seem to affect their perceived present level of social harmony. The coefficient on age was negative, suggesting that older people had a lower perceived level of social harmony than younger ones. This result was also consistent with the result of univariate analysis reported in Table 2.

Table 12 Regression analysis

Independent variable		Coefficient	t-value	p-value
	Constant	5.819**	16.088	0.000
F ₁	Governance	0.305**	9.005	0.000
F ₂	Social cohesion and mutual respect	0.297**	8.671	0.000
F ₃	Economic/family/work aspects	0.217**	6.144	0.000
F ₄	Tolerance and progressiveness	0.174**	5.115	0.000
C ₁	Sex	-0.034	-0.962	0.336
C ₂	Age	-0.073	-1.946	0.052
C ₃	Education attainment	0.064	1.472	0.142
C ₄	Family size	-0.016	-0.453	0.651
C ₅	Monthly personal income	-0.050	-0.955	0.340
C ₆	Monthly household income	0.038	0.773	0.440

Note: the dependent variable (Y) is the present level of social harmony rating in Hong Kong

Adjusted R Square for the model: 0.246

** $p < 0.001$

5 Policy Recommendations

Chinese people always believe that peace, harmony and cohesion can bring prosperity. Such pursuit for harmony has affected the way the Chinese and various Chinese communities around the globe behave.

In recent years, the country's leadership has emphasized that social harmony is very important to Hong Kong. Vice President Zeng Qinghong has pointed out that without the support and cooperation from its citizens, the HKSAR government and the Chief Executive would not be able to administer relevant policies, or improve economic development and the people's livelihood. This means that both the government and the people have an important role to play in fostering social harmony. We believe that harmony is the result of the contribution and cooperation from both sides, but we also believe that the government should take a leading role so that citizens can see that the government is consciously leading the society to harmony.

Therefore, we believe that the society or the government should have a set of core values to promote social harmony, have them made known to the public and be agreed upon by the people, or else it would be hard to solicit the people's support and cooperation. In the past, we have witnessed the government spending a lot of time and public funds to promote and implement its ambitious plans. However, the results were less than satisfactory as the government did not receive consensual support from the community. The consequences of all these ambitious plans only stirred up much tension and arguments in the end. Apparently, this did not help much in improving economic development and social harmony.

Last year, in his policy address, the Chief Executive raised three areas of concern: first, to pursue excellence in governance; second, to foster social harmony; and third, to help well rounded economic development. We believe that a set of consensual core values is fundamental to fostering social harmony. The government should strengthen, deepen and promote these core values to the people regularly, so as to highlight the government's consistent belief in governing Hong Kong. On the basis of the four influencing factors of social harmony identified (i.e. in order of beta coefficients from the regression analysis) as

identified previously, and the importance of the individual items in each factor (i.e. in order of factor loadings), we suggest the HKSAR government should develop and implement the following four core values in order to foster social harmony:

1. A Just Government with Sincerity in Communication
2. Mutual Support and Respect with Integrity and Dedication
3. Dedication to One's Job and Community by Helping Those in Need
4. Creativity and Progressiveness in Facilitating Social Integration

5.1 A Just Government with Sincerity in Communication

One of the purposes of a government is to ensure justice within its jurisdiction, so that the people abide by the law and dedicate themselves to their community. It definitely does not aim to empower a person to govern other people or to encourage people to fight for personal gains and honor using their power. Therefore, we hope that the HKSAR government and all its leaders and officials can respect justice, sincerely communicate with the people, and honor the spirit of accountability in order to build a government that is just and benevolent. Achievement of this will set a very good foundation for achieving social harmony.

The Hong Kong society has longed for substantial improvements in governance, and we believe that this should not only be limited to improvements in governmental structures or job functions, but more importantly, the government has to set clear administration and development goals and seek approval from its people, so that all parties can work together and advance towards a better society. The leadership should have an open attitude when hearing different opinions, be tolerant and understandable of the needs of the people. People with different political views should also be treated well.

In the past, the involvement of large corporations in some large infrastructure projects had been criticized by the public as a transfer of benefits or collusion with the business sector. To avoid criticism, government officials should ensure transparency when administering or adopting policies, and devise a fair and just procedure for implementing policies. We strongly believe that prosperity and social harmony could be achieved if the government could be just and fair and treat people equally when governing Hong Kong.

5.2 Mutual Support and Respect with Integrity and Dedication

The General Secretary of the PRC Mr. Hu Jintao emphasized that Chinese people need to “be proud of its team spirit and charity and be shameful of hurting others for personal gains” when addressing social cohesion. Indeed, team spirit and mutual aid are important elements to social harmony; and equality, mutual respect, love and credibility are all reasonable moral virtues people in a harmonious society should display.

In a prosperous cosmopolitan city like Hong Kong, people definitely cannot live alone and ignore the fact that they are part of the community; indeed, everyone would like to be respected and assisted when in need. Unfortunately, many people tend to put personal gains as their priority and ignore the importance of mutual aid and trust, thus preventing the successful establishment of love and social harmony. As a result, people begin to retreat to themselves and remain cool and apathetic about social issues. They do not show empathy concerning the needs of the disadvantaged, and remain indifferent to accidents

and tragedies. With a heavy emphasis on economic development and competitiveness, the pursuit of individual success has driven most people's behavior. As a result, many people have lost the spirit of selflessness and do not help each other. This clearly explains why many people recently consciously crave for mutual aid, contribution, trust and respect. These social and psychological factors are keys to a cohesive community.

Therefore, we suggest the government actively promote the spirit of mutual aid and love, and dedication to society, so as to create a culture of mutual respect and appreciation. We therefore suggest that the government encourage the media, the community, as well as district councils and schools to compliment and praise people openly who have displayed these virtues.

Moreover, we suggest the government put in an appropriate amount of resources to promote mutual aid and caring. We hope that governmental officials of all levels could personally take the lead in participating in community service and care about the disadvantaged. Their action would inspire others to follow such practices of mutual aid and caring.

5.3 Dedication to One's Job and Community by Helping Those in Need

Employment relations are one of the essential elements in a community. In fact, most employees spend a significant portion of their daytime working for their employers. If these relations are tense, or even at an adversarial state, it is inevitable that productivity and subsequently social harmony will be affected. In a harmonious society, employers should seek to pay their employees fairly according to the job, provide a safe and good working environment, care for their employees' benefit, provide training and allow opportunities for promotion and personal development. On the other hand, employees should seek to further their skills, loyally serve their companies or employers and provide quality services. These, however, are only the basic elements to employment relations. Furthermore, we should also apply good human resources management concepts to improve relations between employees and employers.

Employers, the management and supervisors should have foresight regarding their companies and businesses, be confident about them and strive to achieve organizational goals. Only with a unified aim, spirit and good communication could such objectives be achieved. For this reason, employers and supervisors should see their employees as an important part of productivity and recognize their contributions to the firm. Employees should be praised appropriately and important elements, such as the sense of achievement, acceptance, challenges, promotion opportunities, learning opportunities, responsibility and pay should also be taken care of in order to encourage employees' initiative. We believe these elements are crucial to building good employment relations.

In fact, society tends to focus more on tangible benefits when it comes to employment relations. However, it often ignores the importance of good communication between employers and employees; and between supervisors and subordinates. This explains why nowadays employees long for better employment relations and seek promotion opportunities, job satisfaction and reasonable salaries through constant job search.

We therefore suggest the HKSAR government introduce career and work ethics education, and emphasize the building of a employment culture with mutual respect and appreciation, as well as introducing better worker benefits should need arise. Presently, Hong Kong has a working population of 3,400,000 people, and be it employers or the self-employed, the working class or the CEOs, everybody needs to know about work ethics and

understand the relationship between their work and social harmony. We believe if these ethics are widely practiced, everyone would be dedicated to their work better and have a better sense of belonging, resulting in social harmony in the long run.

Apart from this, Hong Kong's rich and poor gap ought to be dealt with or it will pose as a major difficulty in achieving social harmony in the long run. The Gini Coefficient in 2001 was 0.5252, showing that income disparity was worsening, which also meant that the disadvantaged still need support and care from the community. Recent proposals to introduce a goods and services tax would affect the welfare of the entire community, meaning increased tension and division could arise if this issue is not dealt with properly. The authorities should therefore actively listen to different suggestions from the community and reach the broadest possible consensus before implementing any plans.

5.4 Creativity and Progressiveness in Facilitating Social Integration

Mainland China has recently announced the 11th 5-year plan to set new goals for the country's economic and social development for the coming 5 years. In this 11th 5-year plan, the Central Government has introduced new concepts like self-motivated innovation and technological development. The plan would also maintain the position of Hong Kong as an international finance centre, trading hub, and transportation centre by providing supports to the development in these sectors. Under the new development of Mainland China, we believe that Hong Kong should fully utilize its competitive advantages in information exchange and business operations in the region, and be innovative and progressive to match these developments.

The new open door policy of Mainland China encourages many Mainland enterprises to invest overseas. Since June 2006, the Mainland has abolished exchange limits for overseas direct investment and has shortened the time for approval; the China Banking Regulatory Commission has also shortened the application procedures for overseas wealth management qualification, and facilitated Renminbi exchanges to other major foreign currencies for current account transactions and overseas direct investments. Such development should be seen as an opportunity for Hong Kong's already well-established financial market to attract more investments from mainland enterprises. Valuable suggestions were given in the recent economic summit of "11th 5-year plan and Hong Kong's Development", we hope the government can actively take account of the creative and proactive suggestions in the formulation of relevant policies so as to go along with these recent developments.

In fact, with the recent development of CEPA, Pan-Pearl River Delta Cooperation and the "Individual Traveler Scheme", Hong Kong has had a much closer relationship with the Mainland than at the beginning of the handover. This also means that different industries and sectors tend to be affected by such "China factors". Therefore, we believe that Hong Kong has to consolidate its strengths, increase its competitiveness, and cope with China's rapid economic development to maintain its leading role in China's development.

Under the new planning of Mainland China, Hong Kong should display its innovativeness and progressiveness; while in a global context, Hong Kong people should preserve its multi-values and live up to its role as a cosmopolitan city by showing tolerance, diversity and mutual respect. The United Nations Human Rights Council held its first meeting in Geneva in June this year where the Chinese government has made five human rights propositions, one of which is "to foster a harmonious and tolerant society". This proposition acknowledges that racial, sexual, linguistic and religious discrimination or

prejudice still exist in many parts of the world; and that the Council should continue to work on the rights of women, children, the disabled, immigrant workers and ethnic minorities, as well as promoting human rights education and culture and foster social harmony, so that everyone can enjoy equal treatment and dignity.

Although Hong Kong has always claimed itself as a multi-values community, most citizens converse in Cantonese and they rarely interact with different ethnic groups. There is a lack of communication and understanding among them. Some citizens even discriminate against these minority groups. Besides, the needs of these minority groups are seldom given attention in public policy. It is noted that the government is at the final stage of drafting anti-discrimination laws; we believe that Hong Kong, as a cosmopolitan city, should abide by international conventions and impose anti-racial discrimination laws to protect the rights of ethnic minorities. However, legislation is not the only means to eradicating discrimination. Education should also play a role to promote in the community a culture of racial cohesion and mutual respect. Relevant policies should then be administered to care for the needs of different ethnic groups, and to enable better cultural convergence. Besides, cultural integration can also be achieved by raising the proficiency of English and Putonghua in Hong Kong.

6 Conclusion

The research on social harmony aims to understand Hong Kong people's view of social harmony in order to complement the government policy of fostering a harmonious society. The purpose of the research is to establish a more representative 'Hong Kong Social Harmony Index', to identify factors affecting Hong Kong's social harmony, and to suggest means to eradicate these problems.

Results showed that Hong Kong scored an average of 5.57, delineating a perceived moderately harmonious society. Subsequent factor analysis and regression analysis concluded that the four extracted factors were significant in affecting the perceived level of social harmony. These four factors are (in order of importance): Public Governance, Social Cooperation and Respect, Economy/Family/Work, and Social Tolerance and Progressiveness.

Based on the factor loadings, we further suggest the government to consider 4 core values of fostering social harmony when formulating new policies: (1) A Just Government with Sincerity in Communication, (2) Mutual Support and Respect with Integrity and Dedication, (3) Dedication to One's Job and Community by helping Those in Need, and (4) Creativity and Progressiveness in Facilitating Social Integration. Specific suggestions were made to each of the four core values, involving different aspects and levels—from governance to the personal level, or from national economic development to work ethics.

Another by-product from the regression analysis was the identification of respondents' age as the only characteristic that had a marginally negative effect on the perceived level of social harmony. The HKSAR government should investigate the reason why older people perceived social harmony in Hong Kong more negative than the younger generation. We believe, however, that there are also other means yet to be suggested by the government and experts leading to the achievement of a higher level of social harmony.

With the recent trends of economic and social developments in Mainland China, inevitably, Hong Kong's political scene, economy and civil affairs will be affected. There are bound to be different opinions regarding the city's development, which will not come as a surprise as this is one of Hong Kong's characteristics. A consensus may seem to be

hard to reach, but we believe that if the government and its people can work together with justice, with sincere communication, with spirit of mutual aid and caring, as well as with mutual respect, compliments and tolerance, social harmony is definitely achievable.

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