

RESPONSIBLE STATECRAFT

How the US can respond to Chinese authoritarianism further eroding liberties in Hong Kong

Doug Bandow

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For the first time, the Hong Kong government denied permission for the annual candlelight vigil to mark the Tiananmen Square massacre, though many people came anyway. The world's largest Tiananmen commemoration normally drew tens of thousands of people. The authorities cited the threat of COVID-19, though Beijing's increasing influence on the nominally autonomous special administrative region is the far more likely reason.

The Hong Kong of the last century is fast disappearing. Never a political democracy, its people nevertheless enjoyed more civil and political liberties than many if not most people around the globe.

After the death of Mao Zedong in 1976, pragmatism seemed to reign, including during negotiations for the territory's return to China in 1997, from which Chinese leaders promised to maintain the "one country, two systems" structure for at least a half century.

However, for the first two decades life went on without much overt interference by Beijing. That may have deadened democracy activists' sense of danger. In 2014 they launched the so-called Umbrella Revolution to press for genuine democracy to fulfill promises made by the PRC as part of the handover. That was never going to happen: Hong Kong's chief executive offered a slightly improved version of today's restricted electoral system which democracy advocates in the Legislative Council blocked.

Xi Jinping, who took power in 2012 as Chinese Communist Party general secretary and in 2013 as Chinese president, was steadily increasing the CCP's and his authority. Covert PRC interference in Hong Kong grew: Chinese agents kidnapped several book publishers in 2015.

The following year democracy advocates insulted Beijing when taking their oaths of office, causing the central government to force their disqualification and set new requirements for the territory's legislators. Leaders of the 2014 protests were arrested, tried, and imprisoned.

Last year the Xi government's displeasure only grew after what it saw as chaos — constant protests beyond the chief executive's power to suppress — and loss of public support, as local district council elections delivered an overwhelming pro-democracy majority.

At the end of May, the rubberstamp National People's Congress, by a margin of 2878 to one (with six abstentions and one member not voting) approved "national security" legislation that

would combat “subversion of state power, terrorism or interference by foreign countries or outside influences,” as well as “secession,” meaning those who advocate independence and possibly just greater autonomy. The measure also empowered Chinese security forces to operate in the territory.

If this measure takes effect, the PRC and Hong Kong finally will be one country, one system, with differences mostly cosmetic. Local authorities, like provincial officials in the mainland, will be allowed to handle mundane, non-political controversies. On anything important conformity with Beijing will be enforced. Human Rights Watch’s Yaqui Wang warned: “The government has been abusing the [security] laws [in China]. They target Chinese dissidents or Uighur activists with bogus charges. They use separatism or subversion to criminalize freedom of speech.” The same will happen in Hong Kong.

The impact is already being felt. Beijing appointed a hardliner to head its liaison office, which the special administrative region’s chief executive admitted had final say. The Hong Kong Legislative Council just passed a long pending measure to criminalize disrespect for China’s national anthem, which could end up being enforced by *Chinese* agents. Finally, barring the rally recognizing Tiananmen, always a sore point with the PRC, highlights how the nominal right to free assembly will be reinterpreted.

None of this should come as a surprise. However, Beijing’s heavy-handed approach has repelled rather than attracted the people of Hong Kong, especially the young. An astonishing 75 percent of those under 30 view themselves as being solely Hong Kongers. Just three percent identified with China. Promulgating more propaganda and further politicizing education won’t make Hong Kong residents love Beijing.

How the U.S. should respond

What should the U.S. do? War is not a serious option. Nor are sanctions: so far, the Trump administration and Congress have imposed ever more economic penalties on Iran, North Korea, Venezuela, Cuba, Syria, and Russia without effect. Average folks in all of these nations are hurting, but none of the governments has surrendered to Washington.

However, the Hong Kong Policy Act and prior legislation authorize the State Department to decertify the SAR, reporting that the latter no longer retains autonomy from the PRC. Which would end the territory’s privileged trade status. Depending on the exact action taken, the jurisdiction widely rated the economically freest on earth could be treated like any other Chinese city.

Although envisioned as a penalty against the Xi government, the direct economic losses for the mainland would be measured. Hong Kong only accounts for three percent of China’s GDP, down from about 20 percent in 1997. However, the territory remains more important as a home for Western companies, locus of Chinese wealth management, and source of international finance. Hong Kong Watch reported that the SAR hosts roughly three-quarters of initial public offerings by Chinese firms, making it “the preferred route for Western investors seeking to access” the

mainland, “the largest offshore centre for bond sales by Chinese companies, and the largest recipient of foreign direct investment from China.”

Thus, ending the territory’s unique status would harm the mainland economically. However, worst hit would be residents of Hong Kong. An exodus of Western companies would limit salaries and opportunities. With fewer U.S. and European investors to placate, Chinese repression likely would accelerate.

Indeed, once the SAR loses its unique commercial status, the PRC would have little reason not to complete its takeover. At that point the pretense of autonomy would yield few practical benefits. Jimmy Lai, democracy activist and publisher of the Apple Daily warned: “By taking away Hong Kong’s special status, Hong Kong is dead, Hong Kong is no longer Hong Kong because the residual value of Hong Kong — in the eyes of the international community and in the Chinese regime’s eyes — is totally gone.”

In that case, Beijing may decide that even the formalities of elections and separate governance could be dispensed with. Xi could firmly assert his authority by ending the last vestiges of a unique status originally designed to placate foreigners.

Secretary of State Mike Pompeo should hold off on his stated intention to downgrade Hong Kong’s status. The National People’s Congress approved a measure but two pages in length; the government will have fill in the legislative details. Pompeo should bring together allied and friendly states to approach the PRC together with the warning that if the bill is passed as described by Beijing, they will have no choice but to strip the territory of its commercial preferences.

Moreover, Pompeo should make the point that the legal standard is Hong Kong’s status, not the president’s political preferences. U.S. federal law provides: “On or after July 1, 1997, whenever the President determines that Hong Kong is not sufficiently autonomous to justify treatment under a particular law of the United States, or any provision thereof, different from that accorded the People’s Republic of China, the President may issue an Executive order suspending the application of section 5721(a) of this title to such law or provision of law.”

Although the president formally retains discretion, logically it makes no sense to treat the jurisdictions differently if they are governed similarly. Washington made its commitment to the one country, two systems formulation alongside Beijing’s similar promise. The American provision was intended to reinforce China’s commitment to respect the territory’s civil liberties and rule of law. Once that guarantee is abandoned, the policy loses its *raison d’être*.

At the same time, Washington should develop and propose a face-saving retreat. For instance, Beijing could approve an outline of the bill but hold off implementing it. In return, pro-democracy leaders could ease largescale protests which have left the territory in seeming chaos. The U.S. could downplay its role in reaching a solution. The objective would be to find a compromise that allows Hong Kongers to live freely while tempering their unattainable demands and most disruptive activities.

No one might like that policy package, but the alternative looks far worse. A more brutal crackdown in Hong Kong, substitution of Maoist totalitarianism for Western liberalism, end of the free flow of ideas, and permanent closure of an important window to the West.

Hong Kong, as a free city, is dying. The Trump administration's usual approach of bluster won't help. Secretary Pompeo should attempt to rally Asian and European states with a stake in Hong Kong's future. Only if the Xi government understands the true cost of destroying this oasis of liberty can its unique heritage be saved.

Doug Bandow is a senior fellow at the Cato Institute, a former special assistant to President Ronald Reagan, and author of "Tripwire: Korea and U.S. Foreign Policy in a Changed World."