

HONG KONG FREE PRESS

Hong Kong lauded as the land of the freest again, but its long reign could end

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Hong Kong has once again topped the Fraser Institute's <u>Human Freedom Index</u> of 152 countries. This year's rankings are based on data collected in 2012. They are published by the Canadian free-market think tank, and jointly prepared with the Liberales Institut of the Friedrich Naumann Foundation for Freedom in Germany and the Cato Institute of the US. Hong Kong has topped the index since <u>1980</u>.

The Fraser Institute's pronouncement follows a similar proclamation in January by the Heritage Foundation in its 2015 Index of Economic Freedom of 165 countries, a joint venture with the Wall Street Journal. The 2015 Index is based on data up to the first half of 2014. Hong Kong has topped this index since 1995.

However, what lies beneath is no rose garden. Buried in <u>the 2015 Fraser Institute report</u> is this warning: "As the political future of Hong Kong plays out, we would not be surprised if we see a decline in its freedom ratings." That followed the caution uttered earlier in the year by the <u>Heritage Foundation</u>: "Its continued perch atop the Index of Economic Freedom looks far from certain."

To be sure, the diehard free-market think tanks seem just to echo their patron saint<u>Milton</u> <u>Friedman</u>, who once declared Hong Kong as the gold standard of free markets. Of course, free does not necessarily mean fair, but the politics of economic justice has never been too much of an issue for them in presenting Hong Kong as a shining beacon of material success. And Hong Kong has always been under the watchful eyes of others—first London and now Beijing. However, the champions of free-markets have never made much of a fuss of political selfdetermination. Why suddenly all the gloom and doom? What happened in late 2014? The 2015 rankings did not take into consideration the pro-democracy protests in Hong Kong in late 2014, presumably because relevant data was not yet available. However, both free-market think tanks are cognisant of the manhandling of the so-called Umbrella Revolution/Movement by the Beijing-backed Hong Kong Government. And they are more than just a little worried. The <u>Heritage Foundation</u> shined a light on the source of anxiety that Hong Kong people have known all too well, and now other people are getting to know about it too, when they stated: "In short, the 'free election' there would be free in name only. That prompted the student-led protests that dominated headlines for a while last year, complete with a deplorable crackdown from government officials."

The <u>Fraser Institute</u> too hammered the nail on its head by pointing out that "the pro-democracy protests represent a political agenda not acceptable to Beijing, and are a reaction to interference and perceived interference by mainland China in Hong Kong's policies and institutions including infringements on freedom of the press and the independence of the legal system." Even free-market true believers agree that economic freedom can be affected by non-economic factors.

<u>Freedom of the Press</u> 2015, a report prepared by US-based freedom watchdog Freedom House, scored Hong Kong 41 out of 100, placing Hong Kong 83rd of 199 countries surveyed. It described Hong Kong as only "partly free," with freedom of expression continuing to fall for <u>the fifth year</u> in a row.

This worrying trend was also reflected in Reporters Without Borders 2015 <u>World Press Freedom</u> <u>Index</u>. The French press freedom monitor ranked Hong Kong 70th of 180 countries surveyed, nine places lower than 2014.

Hong Kong's press freedoms have not only not improved, they have worsened and the world knows about it.

On Rule of Law, the 2015 <u>Rule of Law Index</u>, that makes use of data collected in 2012-2014, ranked Hong Kong 25th of 102 countries for constraints on government powers and 17th overall among countries surveyed. The top-quarter position may appear to be a cause for cheer, but whether this will continue remains to be seen.

In June 2014, Beijing declared that "loving the country" is a prerequisite for judges as well as judicial personnel. In response, lawyers marched silently as a symbolic act of defiance. <u>The New York Times</u> painted a vivid picture: "The marchers, who included eight former chiefs of the Hong Kong Bar Association as well as practicing lawyers and law students, strode from the city's High Court to the Court of Final Appeal several minutes away. Before the rally began, about 30 people waving the Chinese national flag shouted at the marchers, saying that they must be patriotic." And from <u>The Wall Street Journal</u>: "The lawyers walked silently on the sidewalk, stopping for traffic lights, while about a dozen boisterous pro-Beijing hecklers called them dogs and said they were unpatriotic."

Mind you, that was before the pro-democracy protests gathered steam in September 2014. That was then. What about now?

Hong Kong's business strength is built on confidence. Impressions matter. Will concerns over press freedom and the rule of law put a dent in Hong Kong's ratings as the most economically free place to be? You bet.

Taking the Hong Kong government to task for its "deplorable crackdown" of the pro-democracy protests, the <u>Heritage Foundation</u> went for the jugular: "That's not the kind of behaviour you

want to see in a country that has long been the global envy of others when it comes to economic freedom, which, it's worth noting, is tied to political freedom. It's not the kind of thing that keeps you on top." If the situation before late 2014 was an alarm bell for business confidence in Hong Kong, what might happen next if there is no change of course by Hong Kong's Beijing-supported government?