

## Op-Ed #2: America's Role in the Current Hong Kong Protests—Helpful or Detrimental?

As the Hong Kong protests are entering the fourth month, some protestors are looking towards the international community for aid in their fight against the Hong Kong government. They no longer believe in their own government's ability to protect Hong Kong people's autonomy and feel that they must reach out to external governments for help. For instance, protests in the past few weeks have been filled with protestors singing the U.S. national anthem and waving the American flag. More notably, many of the protestors have turned towards President Donald Trump, holding banners supporting his re-election in 2020 and calling for him to "liberate" Hong Kong. Because their own government has failed them, Hong Kong protestors have turned towards President Trump in hopes that he will help them achieve democracy.

Carrie Lam has openly expressed the Hong Kong government's opinion on such foreign interference, saying that "any form of intervention from foreign legislatures into Hong Kong's internal affairs is most inappropriate<sup>1</sup>." Regardless of this, however, the U.S. government has responded to the protestors' calls for America's intervention, proposing the Hong Kong Human Rights and Democracy Act in the name of protecting the Hong Kong people's human rights and democracy. Hong Kong media reports on the bill have excited many protestors with the prospect of America swooping in to rescue Hong Kong's democracy. However, it is important to study how the act would change the relationship between the U.S. and Hong Kong—and indirectly China—and take into consideration how this will ultimately affect the current situation in Hong Kong. Would America's intervention in the Hong Kong protests be beneficial to the protestors? Or will it backfire on them?

Although Hong Kong's chief executive Carrie Lam has announced the withdrawal of the extradition bill, which acted as the trigger of the protests, protestors are refusing to back down—while they have achieved their original goal, the demonstrations have evolved into a much broader pro-democracy movement. However, as Hong Kong enters the 15<sup>th</sup> week of consecutive protests, fewer people have come out to support the protests as demonstrators begin to tire. Some may be returning back to school, while others have stopped attending because they have achieved their original purpose of withdrawing the extradition bill. Consequently, as their options are being exhausted, the protestors are beginning to turn to a new prospect to aid them in their fight for democracy: the international community.

Foreign governments have expressed concerns about the ongoing situation between Hong Kong and China. For example, as previously mentioned, the U.S. government introduced the Hong Kong Human Rights and Democracy Act to defend Hong Kong people's civil rights. U.S. lawmakers have expressed their confidence in getting the bill passed, with House speaker Nancy Pelosi saying that she "looks forward to 'swiftly advancing' the bill 'in the face of Beijing's crackdown<sup>2</sup>.'" The Hong Kong protestors' pleas to the international community are being answered—but how will this play out for them in the long run?

As the protestors ask foreign governments for help, it is important they understand what possible consequences may arise from their actions. The Hong Kong Human Rights and

Democracy Act claims to protect the democracy and human rights of Hong Kong people, yet, in taking a closer look, the bill is not as black-and-white as it may appear to be. If passed, the legislation would require the U.S. government to assess Hong Kong's autonomy level annually and determine if it should continue to have special trade status that it receives under the U.S.–Hong Kong Policy Act of 1992, which exempts the city from restrictions that are placed on mainland China.

So what makes the Hong Kong Human Rights and Democracy Act different from the current U.S.–Hong Kong Policy Act of 1992? How would it affect the situation in Hong Kong?

Hong Kong pursues a free trade policy, and it consistently tops think-tank lists of the world's most free economies. Under the current special trade status, Hong Kong is exempt from any tariffs that the U.S. places on China—its average applied tariff rate is 0.0%<sup>3</sup>. The city's financial environment also makes it a desirable place for foreign investment, as there are no restrictions on foreign banks, and the Hong Kong dollar is “pegged to the U.S. dollar...when the region adopted the same near-zero interest rates as the U.S. Federal Reserve after the 2008 financial crisis, it caused a boom in the real estate prices and in the financial sector as local and foreign investors piled in<sup>3</sup>.”

If this new bill is passed, Hong Kong's special status trade would be in danger of getting revoked. Mainland China would suffer major economic consequences, as Hong Kong acts as an important bridge between China and the rest of the world, serving as a channel for 58% of China's outbound investment. Hong Kong is also the gateway between mainland Chinese and international investors, as the Hong Kong Stock Exchange is connected to the exchanges in Shanghai and Shenzhen<sup>4</sup>. In this way, the bill could potentially put pressure on Beijing to change their strategy in the current situation in Hong Kong.

However, it is critical that the protestors consider how the bill would also affect their city, as Hong Kong's economy would not escape unscathed—if its special trade status is put at risk, this alone could be enough to dent investor demand. Yifan Zhang, an associate professor of economics at the Chinese University of Hong Kong, sums up the risks of the bill against Hong Kong: “Foreign firms will leave Hong Kong, capital will not flow in’...The impact, however big for Hong Kong, would not be felt in equal measure by the U.S. A revocation would have ‘not much’ of an effect on the U.S. economy...but for Hong Kong, ‘it’s life and death.<sup>3</sup>” Hong Kong is putting a lot at stake if this bill gets passed, while America not so much. With this in mind, it is important to consider the risk of Hong Kong being used as a pawn in the trade war between U.S. and China—in what direction might this force China's hand?

Bringing America into the mix could intensify the Chinese government's response to the protests. When addressing this, Chinese foreign ministry spokeswoman Hua Chunying called it “disrespectful of China's sovereignty and an interference in China's internal affairs... No foreign government, organization or individual has the right to intervene<sup>4</sup>.” She makes the Chinese government's stance on foreign interference clear: the situation in Hong Kong should be dealt with solely by the Chinese government. Zhang Xiaoming, a deputy director of the State Council's Hong Kong and Macau Affairs Office, backs up her statement, warning that “any referendum campaigns

and the Hong Kong City-State Autonomy Movement [are] in breach of the ‘one country’ part of ‘one country, two systems<sup>5</sup>,’” and that necessary measures will be taken to prevent external interferences. This is a clear admonition for the Hong Kong protestors and the foreign governments interested in helping them and Beijing will not continue to tolerate these actions. With increasing attention from the international community and the proposal of the bill in U.S. Congress, Beijing may be forced to choose between national sovereignty and financial prosperity—and the Chinese government will likely pick national sovereignty.

The Hong Kong protestors need to take these questions into consideration as they continue to pursue foreign help, and the subsequent consequences of such actions. There are high stakes at risk, which may push Beijing to take on a more hardline approach towards Hong Kong. While it may seem unlikely, China’s People’s Liberation Army is still a viable threat—the memory of Tiananmen Square looms, unspoken.