



Center for a  
New American  
Security

JUNE 4, 2020

TESTIMONY BEFORE THE SENATE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Hearing on the Crisis in Hong Kong: A Review of U.S. Policy Tools

# Hearing on the Crisis in Hong Kong: A Review of U.S. Policy Tools

BY

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Chairman Crapo, Ranking Member Brown, Honorable Members of the Committee—

It is an honor to be asked to testify to you today on an issue of critical importance to U.S. foreign policy, “The Crisis in Hong Kong: A Review of U.S. Policy Tools.”

You have invited me to testify on a somber day. This is not only because of the global COVID-19 pandemic and the demonstrations and unrest against injustice in the United States that we have seen over the past week, but because today, June 4, marks the anniversary of the massacre that ended two months of pro-reform protests in Tiananmen Square, one of the darkest days for democracy in modern China. Earlier this week the Hong Kong authorities denied, for the first time in decades, a request for a permit to hold a memorial vigil in Hong Kong to mark Tiananmen. Yet as I reflect on China’s repression thirty-one years ago, I cannot help but think of the iconic photo of an anonymous Chinese protestor staring down a line of Chinese tanks, which remains an inspiration to people everywhere of the power we all possess to stand up for justice in the face of repression.

China’s erosion of Hong Kong’s autonomy over the past decade, including Beijing’s announcement last month that China will force a new national security law on Hong Kong that China may use to punish pro-democracy activists and protestors in the city, should be seen not as a unique act, but rather as one element of the Chinese government’s growing global assertiveness and challenge to liberal democracy. Under the leadership of Xi Jinping, the Chinese Communist Party (CCP) has become more anti-democratic both at home and abroad. China’s growing assertiveness against countries, entities, and individuals that express support for democratic values, whether it is the National Basketball Association here in the United States or the assistance that China increasingly provides other authoritarian states to track and repress their own citizens, poses a serious threat to freedom and democratic values everywhere.

I believe that four principles should guide the U.S. response to China’s attacks on Hong Kong’s autonomy:

- **First, hold China to account while mitigating unintended costs to the people of Hong Kong.** The Chinese government, not the people of Hong Kong, should bear the brunt of the costs of China’s erosion of Hong Kong’s autonomy. While the United States should not indefinitely treat Hong Kong as legally distinct from China in many respects if China does not treat Hong Kong as autonomous, shifts in specific U.S. laws should be tailored to specific Chinese actions and changes in specific areas be structured to help rather than harm Hong Kong citizens.
- **Second, ensure that the U.S. response to China’s erosion of Hong Kong’s autonomy fits within the context of America’s overall strategy towards China.** The U.S. response to Hong Kong is not only about Hong Kong. It is also about signaling to China what future types of Chinese actions are unacceptable and the kinds of U.S. responses that future actions will draw. Our response also has to recognize that despite America’s rivalry with China and justified anger at many of China’s actions, the U.S.-China relationship continues to include important economic and strategic interests and that the U.S. will need to work with China on global threats such as climate change.
- **Third, use the full range of tools. Faced with Chinese aggression, there is an understandable desire to impose costs by denying China financial and economic privileges.** Measures such as targeted sanctions can and should play an important role in highlighting repression. But other policy responses, such as diplomatic engagement and offers of visas to Hong Kong citizens, can be equally powerful.
- **Finally, the United States must galvanize a global coalition and live up to our own values.** Aside from a handful of countries such as the United Kingdom (U.K.), the international response to China’s planned new national security law for Hong Kong has been disappointing. The United States must galvanize a global coalition to bring diplomatic and other forms of pressure to bear to highlight the steady erosion of Hong Kong’s autonomy. But we must be honest with ourselves: in recent days protests in global cities from London to Auckland have been focused on the developments here in the United States rather than developments in Hong Kong. Police abuses of unarmed men and women and U.S. security forces using riot

control equipment to disperse peaceful protestors profoundly undercuts U.S. leadership. While governors and mayors are justified in taking steps to protect our own cities from violence, the world is watching our response and judging it and us. By failing to live up to our ideals, we will be making the world less just, less safe, and less free

I plan to address three specific areas of U.S. policy responses in my remarks today: treating Hong Kong more like China under U.S. law, holding China to account in ways that advance overall U.S. strategy, and building a global diplomatic coalition. But first, I would like to briefly address how China has eroded Hong Kong's autonomy over the past decade.

## I. China's growing erosion of Hong Kong's autonomy

Those of you who have had the privilege to visit Hong Kong understand what a unique city it is. I first visited the city nearly 20 years ago, just a few years after China resumed sovereignty over the territory. I was captivated by the architecture, the food, and most importantly the entrepreneurialism and spirit of Hong Kong's people.

In 1984, when China's sovereignty over Hong Kong remained more than a decade in the future, China committed that it would protect Hong Kong's freedoms and autonomy under "one country, two systems" for fifty years following the United Kingdom's handover of Hong Kong in 1997. China made these commitments in the Sino-British Joint Declaration—a document that both the U.K. and China filed with the United Nations as a treaty, and which provided that the "rights and freedoms" of Hong Kong citizens would be ensured.<sup>1</sup>

The United States codified the concept of "one country, two systems" into U.S. law in 1992 when Congress passed the Hong Kong Policy Act (HKPA). The HKPA provided that the United States would continue in force the treatment of Hong Kong under various U.S. laws, such as U.S. customs laws, that were in effect prior to the British handover of the territory so long as Hong Kong remained "sufficiently autonomous" from the People's Republic of China, as provided by the terms of the Joint Declaration. Pursuant to the HKPA, for twenty-three years since Britain handed Hong Kong back to China, U.S. customs laws, export controls, and other areas of law have continued to provide Hong Kong with different and more advantageous treatment than mainland China.

Over the past decade, however, China has steadily chipped away at Hong Kong's autonomy. In June 2014 the Chinese government released a white paper asserting that China had "comprehensive jurisdiction"<sup>2</sup> over Hong Kong and limited the nominating process for Hong Kong's Chief Executive, undercutting Joint Declaration commitments that the Chief Executive would be chosen by "universal suffrage."<sup>3</sup> The non-governmental organization Reporters Without Borders ranked Hong Kong 80th in terms of global press freedom in 2020<sup>4</sup>, still well ahead of China (at 177 out of 180), but down from 34 in 2010.<sup>5</sup> In 2016, Beijing pressed for the disqualification of two pro-independence

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<sup>1</sup> Official Publication: Sino-British Joint Declaration on the Question of Hong Kong, reprinted by Loyola of Los Angeles International and Comparative Law Review, July 1, 1997.

<sup>2</sup> "The Practice of the 'One Country, Two Systems' Policy in the Hong Kong Special Administrative Region." The Information Office of the State Council, People's Republic of China, 2014, via South China Morning Post, <https://www.scmp.com/news/hong-kong/article/1529167/full-text-practice-one-country-two-systems-policy-hong-kong-special>.

<sup>3</sup> "China rules out open elections in Hong Kong," *The Guardian*, August 31, 2014, <https://www.theguardian.com/world/2014/aug/31/china-rules-out-open-elections-hong-kong>.

<sup>4</sup> Reporters Without Borders, World Press Freedom Index - 2020, 2020, <https://rsf.org/en/ranking>.

<sup>5</sup> Reporters Without Borders, World Press Freedom Index - 2010, 2010, <https://rsf.org/en/world-press-freedom-index-2010>. Hong Kong ranked 18<sup>th</sup> in 2002, the first year Reporters Without Borders compiled its index. <https://rsf.org/en/reporters-without-borders-publishes-first-worldwide-press-freedom-index-october-2002>.

Hong Kong legislators who had modified their oath of office in a way that China viewed as insulting,<sup>6</sup> with four more legislators disqualified in 2017.<sup>7</sup> Also in 2017, the Chinese Foreign Ministry suggested that the Joint Declaration had ceased to have “practical significance.”<sup>8</sup>

Last year, Chinese efforts to encroach on Hong Kong’s autonomy accelerated. In April, pro-Beijing lawmakers in Hong Kong proposed a bill that would have allowed extraditions to China in some circumstances, a measure that pro-democracy activists warned could be used to target activists, journalists, and others who refused to toe Beijing’s line. Hundreds of thousands of people turned out for protests that, at times, the Hong Kong security forces repressed with violence. Protests continued even after the Hong Kong government shelved the proposed extradition law, and, in a testament to the spirit of Hong Kong, in late November pro-democracy candidates overwhelmingly won local elections in the city.<sup>9</sup> Here in Washington, the U.S. Congress passed the Hong Kong Human Rights and Democracy Act, which required the Secretary of State to periodically certify that Hong Kong remained sufficiently autonomous from China to merit separate treatment from China under U.S. law and to impose certain sanctions on individuals and entities that engage in repression in Hong Kong.<sup>10</sup>

In early 2020, concerns over the COVID-19 pandemic appeared to have quieted the protests in Hong Kong’s streets. Yet pro-democracy forces in Hong Kong could justifiably feel that their work had achieved a degree of success in securing their rights, with the extradition law on ice and global attention focused on their resistance to encroaching authoritarianism. That ended early last month when Beijing announced that it planned to increase its authority over the city by mounting an end run around Hong Kong’s legislature and citizens. Rather than continuing to press for legislative reform within Hong Kong to expand China’s powers, China itself would draft a new national security law for the city criminalizing acts of secession, subversion, terrorism, and foreign interference in Hong Kong, and force the Hong Kong executive to promulgate the law without turning to Hong Kong’s legislature.<sup>11</sup>

Last week, China’s National People’s Congress formally decided to move forward with preparing the national security law, which is expected to be finalized over the summer. The precise terms of the law are not yet clear, including definitions of the crimes and the extent to which individuals accused of the crimes would be tried in Hong Kong versus mainland China. But democratic activists across Hong Kong fear the consequences will be draconian. In response to China’s actions, last Wednesday Secretary of State Mike Pompeo found that Hong Kong no longer met the standards of autonomy that served as the basis for Hong Kong’s differential treatment under U.S. law. He stated “No reasonable person can assert today that Hong Kong maintains a high degree of autonomy from China, given facts on the ground.”<sup>12</sup>

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<sup>6</sup> “Hong Kong pro-independence lawmakers disqualified from office,” BBC, November 15, 2016, <https://www.bbc.com/news/world-asia-china-37984118>.

<sup>7</sup> Benjamin Haas, “Hong Kong pro-democracy legislators disqualified from parliament,” *The Guardian*, July 14, 2017 <https://www.theguardian.com/world/2017/jul/14/hong-kong-pro-democracy-legislators-disqualified-parliament#maincontent>.

<sup>8</sup> “China says Sino-British Joint Declaration on Hong Kong no longer has meaning,” Reuters, June 30, 2017, <https://www.reuters.com/article/us-hongkong-anniversary-china/china-says-sino-british-joint-declaration-on-hong-kong-no-longer-has-meaning-idUSKBN19L1J1>.

<sup>9</sup> Keith Bradsher, Austin Ramzy and Tiffany May, “Hong Kong Election Results Give Democracy Backers Big Win,” *The New York Times*, November 25, 2019, <https://www.nytimes.com/2019/11/24/world/asia/hong-kong-election-results.html>.

<sup>10</sup> U.S. Senate, *Hong Kong Human Rights and Democracy Act of 2019*, S.1838, 116<sup>th</sup> Cong., 1<sup>st</sup> sess., <https://www.congress.gov/bill/116th-congress/senate-bill/1838/text>.

<sup>11</sup> “Hong Kong security law: What is it and is it worrying?,” BBC, May 29, 2020, <https://www.bbc.com/news/world-asia-china-52765838>.

<sup>12</sup> “P.R.C. National People’s Congress Proposal on Hong Kong National Security Legislation,” U.S. Department of State, press release, May 27, 2020, <https://www.state.gov/prc-national-peoples-congress-proposal-on-hong-kong-national-security-legislation/>.

## II. U.S. Policy Responses

I will now turn to addressing the options for U.S. policy responses to this erosion of Hong Kong's sovereignty. The first area to discuss is steps to treat Hong Kong more like China under U.S. law.

- 1) **Treating Hong Kong More Like China Under U.S. Law:** Last Friday, following Secretary Pompeo's statement regarding Hong Kong's increasing lack of autonomy, President Trump announced that his administration would "begin the process of eliminating policy exemptions that give Hong Kong different and special treatment."<sup>13</sup>

U.S. law treats Hong Kong differently from China in myriad ways. U.S. imports of goods from Hong Kong face different tariff rates than goods imported from China and have not been subject to the tariffs of up to 25 percent that President Trump has imposed over the past two years on some \$370 billion of U.S. imports from China. U.S. export control laws allow a greater range of exports of sensitive and dual-use items to Hong Kong than to mainland China. The United States has an extradition agreement with Hong Kong, as well as an agreement on aviation landing rights. The Committee on Foreign Investment in the United States (CFIUS) process does not publish a formal framework regarding how it reviews foreign investments from specific countries, but CFIUS categorizes Hong Kong and China differently and has the potential for differential treatment. The United States has the ability to treat visa applicants from China and Hong Kong differently.

There is a legitimate and important debate about whether broad measures to align Hong Kong's treatment under U.S. law with China across all these areas will bring effective pressure to bear against Beijing or whether such measures will simply impose costs on the people of Hong Kong without impacting Beijing. I fundamentally believe that U.S. law cannot indefinitely continue to treat Hong Kong separately in most respects if Beijing does not treat the city as autonomous. Beijing needs to understand that it cannot have it both ways, denying Hong Kong's autonomy while the world still treats Hong Kong as autonomous. But the U.S. government should take a nuanced approach towards aligning aspects of U.S. treatment of Hong Kong with China while working to preserve differential treatment when it serves both U.S. interests and the interests of the people of Hong Kong.

One immediate step that the U.S. should take is to permanently halt the export of U.S. crime control equipment such as tear gas to Hong Kong. Last year, in the wake of media reports that Hong Kong police were using U.S.-made tear gas against protestors, Congress passed S. 2710,<sup>14</sup> which generally prohibited the export of crime control equipment to Hong Kong for a period of one year. It is time to make that ban permanent. I also urge the U.S. to impose robust export controls on U.S. surveillance technologies that can be used to monitor Hong Kong citizens online and in person. While the practical reality is that Hong Kong authorities can obtain many surveillance technologies from the Chinese, the United States should nonetheless ensure that U.S. technology will not facilitate the surveillance of Hong Kong citizens.

I recommend more significant steps after China actually follows through on its plans to impose a draconian national security law on Hong Kong. With Chinese officials drafting the law over the next two months, U.S. policy should make clear the costs China will face after the national security law is enacted. Specific steps that I recommend the U.S. government take to align Hong Kong and China's treatment under U.S. law after the national security law is imposed include:

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<sup>13</sup> President Donald J. Trump, "Remarks by President Trump on Actions Against China" (Rose Garden, Washington, May 29, 2020), <https://www.whitehouse.gov/briefings-statements/remarks-president-trump-actions-china/>.

<sup>14</sup> U.S. Senate, *A bill to prohibit the commercial export of covered munitions items to the Hong Kong Police Force*, S.2710, 116<sup>th</sup> Cong., 1<sup>st</sup> sess., <https://www.congress.gov/bill/116th-congress/senate-bill/2710>.

- Announce that Hong Kong government officials and their immediate families will receive visas to visit the United States on the same basis that the U.S. grants such visas to Chinese officials and their families.
- Direct the Treasury Department and other agencies involved in CFIUS to treat investments from Hong Kong-domiciled companies comparably to investments from mainland Chinese companies.
- Direct the Commerce Department to begin treating most exports of sensitive and dual-use goods to Hong Kong similarly to the way it treats exports of such goods to mainland China.
- Pause U.S. extraditions to Hong Kong and initiate a review of the U.S. extradition agreement with Hong Kong.
- Announce a scheduled phase-in for tariff rates that will increasingly treat Hong Kong the same as China for customs purposes.

In other areas of U.S. law, however, I would refrain from making major changes. For example, I would not advise the United States to end the U.S.-Hong Kong aviation agreement, which would force DC to negotiate with Beijing over flights to the city—increasing Beijing’s influence. I would continue to treat visa applications by ordinary Hong Kong citizens liberally. I would not work to disrupt Hong Kong’s status as a global financial hub, which would undercut Hong Kong’s economy and likely drive financial activity into mainland China—facilitating a long-term Chinese goal of seeing Shanghai supplant Hong Kong as the region’s leading financial center.

I spoke earlier in my remarks about deploying the full range of U.S. tools. In addition to taking steps to align the treatment of Hong Kong and China under U.S. law, the United States should deploy diplomatic and other tools support the pro-democracy movement in Hong Kong. For example, last September, the Congressional-Executive Commission on China invited several leaders of the Umbrella Movement to testify at a hearing.<sup>15</sup> I urge members of both the Senate and the House to pursue other hearings and public meetings to stand with pro-democracy activists from Hong Kong, which sends a powerful diplomatic and symbolic message of U.S. support.

I also commend the recent United Kingdom announcement that the U.K. will offer work visas and a potential path to citizenship for nearly three million Hong Kong residents, beginning after China enacts the national security law.<sup>16</sup> Britain’s offer is a powerful repudiation of Beijing’s authoritarian move and threatens a “brain drain” from the city that will undercut some of the advantages that Xi Jinping hopes to obtain by asserting Beijing’s authority over Hong Kong. The United States should similarly offer a new visa program for Hong Kong residents who fear Chinese persecution to allow them to immigrate to America.

- 2) **Holding China to account to advance overall U.S. strategy:** The second area of U.S. policy response should focus on measures to penalize Beijing. The Hong Kong Human Rights and Democracy Act passed last November requires the President to sanction Chinese officials involved in “the extrajudicial rendition, arbitrary detention, or torture of any person in Hong Kong” and “other gross violations of internationally recognized human rights in Hong Kong.” Several members of Congress have introduced other legislation to impose sanctions over China’s erosion of Hong Kong’s autonomy. Targeted sanctions on Chinese officials involved in repressing freedom in Hong Kong make sense, as do targeted sanctions against officials involved

<sup>15</sup> U.S. Congress, Congressional-Executive Commission on China, *Hong Kong’s Summer of Discontent and U.S. Policy Responses*, 116<sup>th</sup> Congress, 1<sup>st</sup> sess., 2019, <https://www.cecc.gov/events/hearings/hong-kongs-summer-of-discontent-and-us-policy-responses>.

<sup>16</sup> Telegraph Reporters, “Boris Johnson says 3m people in Hong Kong will get path to British citizenship,” *The Telegraph*, June 3, 2020, <https://www.telegraph.co.uk/news/2020/06/03/boris-johnson-says-3m-people-hong-kong-will-get-path-british/>.

in other Chinese abuses of human rights and fundamental freedoms, such as the bill Congress recently passed to impose sanctions on officials involved in China's repression of its Uighur minority.<sup>17</sup>

In addition to sanctions, there is a broad range of potential measures that the United States can deploy against China in the wake of its erosion of Hong Kong's autonomy. In deploying a broader suite of measures against China, the U.S. government should be thinking not only about Hong Kong, but about how the U.S. response to Hong Kong fits within America's emerging overall strategy of geopolitical and economic competition with China. China's erosion of Hong Kong's autonomy is part of a much broader trend of Chinese illiberalism at home and abroad. China has engaged on an inhumane crackdown on its Uighur population that has involved the detention of some one million people. China has harnessed its economic power to bully countries from Norway to Australia that have criticized the Chinese government and its anti-democratic practices. Having built one of the world's most successful surveillance and censorship apparatuses at home, China has begun to export its model of surveillance and censorship to other governments.<sup>18</sup> In recent months China has further escalated its efforts to assert control of the South China Sea and stoked tensions with India. The U.S. response to China's encroachment on Hong Kong should be part of a broader strategy to combat Chinese threats to democracy.

We also have to be frank in acknowledging the potential costs to the United States of hasty, economically significant actions. The United States and China continue to have one of the world's most important trading relationships, with two-way goods trade valued at more than \$550 billion in 2019 despite the impacts of new U.S. tariffs reducing trade flows.<sup>19</sup> For many American companies, China is one of their largest markets. U.S. and Chinese financial markets are intertwined to a degree and global financial markets will react badly to hasty decoupling, an issue that we have to take particularly seriously during the current global economic crisis. China's economic size and sophistication also make it fundamentally different from smaller countries such as Venezuela and Iran, that have few options to circumvent and retaliate against U.S. economic pressure. All out economic war with China would be costly to the United States for uncertain gains.

I urge Congress and the Executive Branch to respond to China's attacks on Hong Kong's autonomy by pursuing action against the Chinese illiberalism in at least three specific areas: Anti-democracy and corruption; anti-surveillance; and securing the U.S. against undue Chinese influence.

First, anti-democracy and corruption. The U.S. government should join with close allies to launch a comprehensive campaign to push back on Chinese subversion of democratic rules and its corruption. This would include a government-backed effort to identify and publicize corruption by both individual Chinese officials and by Chinese companies operating around the world. We should also expose and publicize the acts of individual Chinese officials subverting democratic norms around the world. The United States and allies such as the United Kingdom and European Union, which have sanctions authorities on the books to target government officials and others involved in human rights abuses and corruption, should use those tools to take action against Chinese officials and companies found to be involved.

Second, anti-surveillance and censorship. China has developed a sophisticated domestic surveillance apparatus that it is increasingly exporting to the world. In recent months the world has borne the costs of Chinese censorship that helped to suppress early reports of the COVID-19 pandemic. China, meanwhile has

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<sup>17</sup> U.S. Senate, *Uyghur Human Rights Policy Act of 2020*, 116<sup>th</sup> Cong., 2<sup>nd</sup> sess., <https://www.congress.gov/bill/116th-congress/senate-bill/3744/text?q=%7B%22search%22%3A%5B%22uighur%22%5D%7D&r=1&s=4>.

<sup>18</sup> Paul Mozur, Jonah M. Kessel, and Melissa Chan, "Made in China, Exported to the World: The Surveillance State," *The New York Times*, April 24, 2019, <https://www.nytimes.com/2019/04/24/technology/ecuador-surveillance-cameras-police-government.html>.

<sup>19</sup> "Trade in Goods with China," U.S. Census Bureau, <https://www.census.gov/foreign-trade/balance/c5700.html>.

signed deals to export surveillance technology to Zimbabwe, Ethiopia, Angola, Zambia, and Uganda, among many other countries.<sup>20</sup> Growing use of Chinese surveillance and censorship tools, not just in China but globally, poses a profound threat to democratic values. The United States and its allies need to mount an aggressive campaign to deter countries from deploying Chinese censorship and surveillance campaigns and, to the extent we can, to push back on China's censorship and surveillance inside China's borders.

Third, securing the United States against undue Chinese influence. Over the last decade, China has not hesitated to weaponize its economic power in pursuit of geopolitical goals. Here in the United States, China retaliated against the National Basketball Association after Houston Rockets General Manager Daryl Morey supported democratic protestors in Hong Kong. China is currently engaging in economic coercion against Australia and Canada over political disputes. The U.S. government needs to ensure that our economy and markets are protected against undue Chinese influence.

Over the past several years, Congress and the Executive Branch have taken a handful of steps to protect the U.S. against Chinese influence, reforming the CFIUS process to tighten reviews of Chinese acquisitions of U.S. companies, banning Huawei and other Chinese equipment from communications networks, and beginning to focus on ensuring supplies of critical materials, such as rare earth elements. In recent months the United States ramped up production of critical medical equipment. Much more needs to be done. The U.S. government needs to launch a comprehensive national supply chain security review to identify supply chain vulnerabilities and close them. U.S. government agencies should ensure that Chinese companies that are listed in the United States adhere to U.S. financial standards. We need a beneficial ownership law that ensures that the Chinese government cannot set up secret shell companies in the U.S. and use them as vehicles to pursue its objectives. And the United States government should ensure that companies are able to stand up to Chinese bullying and adhere to American values when they operate in China.

Securing the United States against sources of undue Chinese influence does not mean cutting off the U.S. from China economically or terminating the ability to Chinese citizens to travel, study, and work in America. But it does mean taking smart, tough steps to secure the U.S. against Chinese influence.

- 3) **Building a global diplomatic coalition:** Finally, the United States should lead by galvanizing a global coalition to counter China's illiberalism. Over the past year many U.S. allies have begun to shift their perspectives regarding China's economic practices, criticizing anti-competitive Chinese practices and recognizing the security risks that come from excessive dependence on China. The European Union, for example, labeled China a "systemic rival" in a report issued last year<sup>21</sup>, and is taking steps to strength its review of foreign investments, and particularly Chinese investments, in European strategic assets.<sup>22</sup> It is reportedly also seeking authorities to review and block takeovers by companies that have received unfair support from non-European governments.<sup>23</sup> Japan has earmarked more than \$2 billion from its COVID-19

<sup>20</sup> Arthur Gwagwa and Lisa Garbe, "Exporting Repression? China's Artificial Intelligence Push into Africa," Net Politics blog on Council on Foreign Relations, December 17, 2018, <https://www.cfr.org/blog/exporting-repression-chinas-artificial-intelligence-push-africa>; Samuel Woodhams, "Huawei, Africa and the global reach of surveillance technology," DW, September 12, 2019, <https://www.dw.com/en/huawei-africa-and-the-global-reach-of-surveillance-technology/a-50398869>.

<sup>21</sup> European Commission, "EU-China: A Strategic Outlook," March 12, 2019, <https://ec.europa.eu/commission/sites/beta-political/files/communication-eu-china-a-strategic-outlook.pdf>.

<sup>22</sup> European Commission, "Guidance to the Member States concerning foreign direct investment and free movement of capital from third countries, and the protection of Europe's strategic assets, ahead of the application of Regulation (EU) 2019/452 (FDI Screening Regulation)," March 25, 2020, [https://trade.ec.europa.eu/doclib/docs/2020/march/tradoc\\_158676.pdf](https://trade.ec.europa.eu/doclib/docs/2020/march/tradoc_158676.pdf).

<sup>23</sup> Sam Fleming, Javier Espinoza and Michael Peel, "EU seeks to curb state-backed foreign rivals," Financial Times, June 2, 2020, <https://www.ft.com/content/8f8fc72d-1c05-488e-93f0-f60a4dce18b6>.

response funds to help Japanese firms re-onshore production from China.<sup>24</sup> A growing number of countries have announced plans to prohibit the use of Huawei equipment in their 5G telecommunications networks, and others, such as the U.K. appear to be re-evaluating earlier decisions to allow limited use of Huawei.

This shift on economic issues is heartening. But many allies continue to downplay China's illiberalism and abuses of human rights, including China's erosion of Hong Kong's autonomy. The U.K., Australia, and Canada joined the U.S. in issuing a tough statement condemning China's announcement of a national security law for Hong Kong.<sup>25</sup> But the two paragraph European Union statement left much to be desired.<sup>26</sup>

Building a global coalition against Chinese illiberalism will take time and diplomatic skill—just as the growing coalition against Chinese economic abuses has taken several years of patient diplomatic work. But the fact that diplomacy will take time is not an argument against it, but rather an argument to get started. The United States should work bilaterally to urge more European and other allied states to issue strong condemnations of China's planned national security law so that its implementation faces a global opprobrium. Close allies, such as Canada and the U.K. should be asked to join in imposing targeted sanctions on Chinese officials engaged in corruption and human rights abuses, as our allies have sanctioned corruption and human rights abuses elsewhere.

The United States should also look for different multilateral venues to press for action. For example, the United States could use the G7, or an expanded group of close, like-minded democracies, to call out China's illiberalism and repression, including its erosion of Hong Kong's autonomy and to commit to taking specific steps to counter Chinese threats to democracy. (Of course, Russia rejoining the G7 would profoundly undermine the group's effectiveness as a group of like-minded democracies and would likely destroy its utility as a group).

The U.S. government should also encourage allies who have specific tools to challenge China's actions to use them. The U.K., for example, could try to seek an opinion from the International Court of Justice on the question of whether China has violated the Sino-British Joint Declaration. China would almost certainly block such a move and refuse to accept the court's jurisdiction, much as China has ignored international legal rulings that its South China Sea activities violate international law. But even the attempt to use international law to reign in China's abuses would be nonetheless valuable as a diplomatic and political maneuver.

Where allies are unwilling to join the United States in imposing economic or legal measures, DC should not simply let them off the hook. Instead, the United States should press them to take other types of measures to stand against China's growing authoritarianism regarding Hong Kong and around the world. In 2016, for example, the Dalai Lama visited the European Parliament.<sup>27</sup> China sharply condemned the move and threatened retaliation. But the meeting was a powerful symbolic show of support for the people of Tibet. The

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<sup>24</sup> Isabel Reynolds and Emi Urabe, "Japan to Fund Firms to Shift Production Out of China," Bloomberg, April 8, 2020, <https://www.bloomberg.com/news/articles/2020-04-08/japan-to-fund-firms-to-shift-production-out-of-china>.

<sup>25</sup> United States Department of State, United Kingdom Foreign & Commonwealth Office, and Australian Foreign Ministry, "China's proposed new security law for Hong Kong," joint press release, May 28, 2020, <https://www.gov.uk/government/news/joint-statement-from-the-uk-australia-canada-and-united-states-on-hong-kong>.

<sup>26</sup> Council of the European Union, "Declaration of the High Representative on behalf of the European Union on Hong Kong," press release, May 29, 2020, <https://www.consilium.europa.eu/en/press/press-releases/2020/05/29/declaration-of-the-high-representative-on-behalf-of-the-european-union-on-hong-kong/>.

<sup>27</sup> "Dalai Lama: 'I am one of the admirers of the spirit of the European Union,'" European Parliament, press release, September 15, 2016, <https://www.europarl.europa.eu/news/en/headlines/eu-affairs/20160909STO41741/dalai-lama-i-am-one-of-the-admirers-of-the-spirit-of-the-european-union>.

United States should press European political leaders to meet with Hong Kong activists as a diplomatic display of support even where countries may shy away from coercive economic measures.

As I said earlier in my remarks, the United States must also live up to our values here at home. In recent days China has promoted stories that liken recent protests in the United States to the Hong Kong protests of last year. In recent days the spokeswoman for China's Foreign Ministry trolled the U.S. State Department on social media, writing "I can't breathe" in response to a U.S. State Department statement criticizing China for breaking its promises to Hong Kong.<sup>28</sup> She also praised a statement by the President of the African Union criticizing the murder of George Floyd in Minneapolis last month and racism in the United States.

China's moral relativism is false and disingenuous. Americans can read coverage of events in this country unfiltered by a Great Firewall, and unlike citizens in mainland China, have a constitutional right to speak and peacefully protest against their government. But if we care about America's standing, we also have to acknowledge that repeated instances of police brutality against African Americans and the aggressive tactics recently adopted by U.S. policy and security forces against peaceful American protestors exercising their constitutional rights to protest racism, profoundly undercuts our moral authority. Images of protestors gathering London, Brussels, Berlin, Dublin, Paris, Toronto, Vancouver, Auckland, Sydney and other cities to protest injustice in the U.S. have been striking. Statements by democratic leaders saying that they are watching U.S. development with "horror and consternation" and calling for a "de-escalation of tensions" in the United States are not the words of governments keen to join the U.S. in a global diplomatic campaign. We must remind the world that we as Americans learn from our missteps and are relentlessly committed to a brighter, more democratic, and more equal future.

### III. Closing Remarks

In closing, I'd like return to the Tiananmen Square massacre that occurred 31 years ago today. That massacre was a major setback for the cause of democracy. Yet in the 1990s and early 2000s we saw a global surge of democracy in Eastern Europe, Africa, and other regions. Even in China, there was hope for gradual political opening and reform alongside economic growth.

The last decade has seen an unfortunate backsliding of that democratic trend, both within China under Xi Jinping, and globally as countries around the world erode the freedoms of their citizens.<sup>29</sup> A strong, smart U.S. response to China's erosion of democracy in Hong Kong can help turn the tide and promote the same type of global democratic renewal we saw in the decade after Tiananmen.

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<sup>28</sup> Hua Chunying (SpokespersonCHN), "I can't breathe," May 30, 10:43 a.m., Twitter, <https://twitter.com/SpokespersonCHN/status/1266741986096107520?s=20>.

<sup>29</sup> "NEW REPORT: Freedom in the World 2020 finds established democracies are in decline," Freedom House, press release, March 4, 2020, <https://freedomhouse.org/article/new-report-freedom-world-2020-finds-established-democracies-are-decline>.