

MAC: Hong Kong's Losing its Core Values and its International Status Harmed as Beijing broke its Promises to Hong Kong on the 23rd Anniversary of the Handover

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The *Analysis Report: 23 Years after Hong Kong's Handover* published by the Mainland Affairs Council (MAC) indicated that, over the past year, the Chinese Communist Party (CCP) has broken its pledge of allowing Hong Kong "a high degree of autonomy" and "to remain unchanged for 50 years." Beijing has continued to tighten its grip on Hong Kong through reassessments of personnel involved in Hong Kong affairs, organizational upgrading, mass arrests, prosecution of protesters, and the arbitrary drafting of the National Security Law on Hong Kong, which bypassed Hong Kong's Legislative Council. These moves further eroded human rights, freedom, the rule of law, and other core values in Hong Kong under the "one country, two systems" framework.

Nevertheless, the people of Hong Kong have found ways to maintain the protest momentum provided by the anti-extradition movement. They continue to organize street demonstrations, fully engage in local district council elections, establish the "Yellow Economic Circle," and build solidarity on the international front to courageously defend democracy, freedom, human rights and the rule of law in Hong Kong.

Hong Kong's GDP, employment, exports, and other economic indicators have shown signs of weakness due to the global economic slowdown, US-China trade frictions, instability in Hong Kong, and the COVID-19 epidemic. Despite Beijing continued to deepen development of the Guangdong-Hong Kong-Macao Greater Bay Area and provide economic benefits for integration between Hong Kong and mainland China to alleviate public discontent in Hong Kong, the two sides were rife with discrepancies.

Furthermore, international credit rating agencies have issued warnings about Hong Kong's high dependency on mainland China and downgraded Hong Kong's rating numerous times. In March this year, the Heritage Foundation released the annual *Index of Economic Freedom* report in which Hong Kong lost its position as the world's freest economy, a title it had held for 25 consecutive years. The United States is also looking at revoking Hong Kong's preferential treatment as separate customs territory from mainland China and suspending export of sensitive military items to Hong Kong amid the CCP's insistence on pushing forward the National Security Law on Hong Kong. Specific follow-up measures and their impact on Hong Kong's economy and its status as the international financial center have attracted widespread public attention.

Democracy, freedom, human rights, and the rule of law are universal values shared by Taiwan and Hong Kong. All political parties in Taiwan are deeply concerned about and support the demand of the people of Hong Kong for democracy. The government will continue to closely watch the situation in Hong Kong and provide necessary assistance for the people of Taiwan and Hong Kong. For instance, last November, related government agencies helped Taiwan students in Hong Kong to safely return back home

following clashes between the police and protesters on the Chinese University of Hong Kong and Hong Kong Polytechnic University campuses. The government also recently launched the Hong Kong Humanitarian Aid Project and established the Taiwan-Hong Kong Office for Exchanges and Services, which will begin official operation on July 1, to provide special consultation and assistance services for Hong Kong people who seek for study, employment, investment, entrepreneurship, immigration, and residency in Taiwan.

The Act Governing Relations with Hong Kong and Macao stipulates that the government of the Republic of China treats Hong Kong as a "special area" separates from the rest of mainland China. Each year, the MAC reviews the status of Hong Kong's freedom, human rights, political, economic, and social developments on which Taiwan's position and policy towards Hong Kong is based. This is the 23rd in a series of observation reports on Hong Kong since its handover in 1997. The MAC will continue to closely watch and dynamically respond to developments in Hong Kong resulting from the CCP's insistence on pushing forward the National Security Law on Hong Kong.