

Crapo Statement at Hearing on the Crisis in Hong Kong
June 4, 2020

WASHINGTON – U.S. Senator Mike Crapo (R-Idaho), Chairman of the U.S. Senate Committee on Banking, Housing and Urban Affairs, submitted the following statement for the record at a remote hearing entitled, “Crisis in Hong Kong: A Review of U.S. Policy Tools.”

The text of Chairman Crapo’s statement, as prepared, is below.

“Today is a significant day, in a number of respects.

“Today, the Committee meets to assess what options it may have to inject some leverage or restraint into an escalating political and human rights crisis in Hong Kong.

“Today marks the 31st anniversary of China’s deadly authoritarian crackdown, in Beijing’s Tiananmen Square, against what was once probably the best opportunity a peaceful pro-democracy movement ever had of securing any degree of positive political reform and basic human rights from the Chinese government.

“Today also marks the first time in 30 years that the Hong Kong police ever prohibited the annual June 4th candlelight vigil to honor the victims at Tiananmen Square.

“The Hong Kong police order cited the need for social-distancing as justification for the banned vigil, despite Hong Kong’s having largely returned to normal.

“Yet, the order comes coincidentally less than a week after mainland China shook the world by its announcement that it would soon impose a new National Security Law that could criminalize almost anything that China’s Communist Party deems subversive.

“Fortunately, for us, we have a witness today who, as a Hong Konger, can speak to his impression of whether or not there is any linkage of the vigil to the new law, and expound further on what he is seeing on the ground in the City.

“On Thursday, May 28th, China’s National People’s Congress approved a draft decision to pursue, likely by sometime in August, the enactment of the new National Security Law, by a vote of 2,878 to 1.

“China’s announcement comes after a year of protests against the mainland in the city, which startled China’s Communist Party.

“The National Security Law, in addition to potentially jailing Hong Kong citizens – and others – for doing anything subversive, like exercising what the U.S. guarantees as constitutional rights to free speech or assembly.

“More ominously, the law also enables China’s Communist Party leaders to set up so-called ‘security agencies’ in Hong Kong to monitor and presumably deter activities of Hong Kongers, and others, who it finds suspicious.

“What’s more, the proposed law would not need to be debated by the Hong Kong legislature at all before China circumvents the City’s autonomous legislative process by unilaterally placing the new law under an annex of the Basic Law, or mini-constitution, that currently permits Hong Kong to enjoy 50 years of self-government.

“Ironically, it is precisely this Basic Law that leaves it to Hong Kong’s legislature itself to pass the national security law.

“In its pursuit of its own National Security Law, some analysts assess China as beginning to end, far ahead of schedule, Hong Kong’s autonomy, and the world-recognized governing principle agreed to by China and Hong Kong of ‘one country, two systems,’ which will have a fundamental impact on Hong Kong’s freedoms, its laws and how it is recognized by the global community.

“Thus far, world leaders have responded to China’s bypass of Hong Kong’s legislature through various statements of deep concern.

“The U.S. response was the strongest, with Secretary of State Pompeo reporting to Congress on May 27th that the United States no longer considers Hong Kong autonomous from China.

“Two days later, President Trump announced that his administration would begin the process of eliminating special treatment for Hong Kong, while placing numerous options on the table, including revoking the City’s special status as a separate customs territory, revising U.S. export controls and imposing sanctions.

“Banking’s own Senators Toomey and Van Hollen have introduced their ‘Hong Kong Autonomy Act,’ a bipartisan bill that seeks to confront and deter China’s attack on Hong Kong’s autonomy, with a set of strong, mandatory, primary and secondary financial sanctions.

“Today, we have invited three of our four witnesses specifically to help the Committee assess the various proposals thus far propounded, and particularly the use of sanctions, to deter China from breaching either its treaty obligations to Hong Kong or those under the Basic Law.

“I am most interested in the witness’s views on several questions.

“First, what is the impact of Secretary Pompeo’s report to Congress, on May 27, that the United States no longer considers Hong Kong to be autonomous from China?

“Second, how best can the United States support the people and institutions of Hong Kong through targeted economic and financial pressure, and coordinate with U.S. allies and partners?”

“And third, what would be the likely impact of secondary sanctions on financial institutions and how best can we ensure that the impact is contained to those who contribute to the demise of Hong Kong’s autonomy?”

“I look forward to working with Senators Toomey, Van Hollen, Ranking Member Brown, the other members of the Committee and the Administration, to make sure that we get this right.”

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