



## China Reform Monitor No. 1415

May 1, 2020 **Joshua Eisenman**

**Related Categories:** Democracy and Governance; Economic Sanctions; Human Rights and Humanitarian Issues; International Economics and Trade; Global Health; China; East Asia; Europe; Hong Kong; Taiwan

### BEIJING'S PUSH FOR COVID-19 PRAISE BACKFIRES IN WISCONSIN

China's pressure on the Wisconsin state legislature to pass a resolution praising its handling of the COVID-19 outbreak has backfired, and instead inspired a motion accusing it of "deliberately and intentionally misled the world." The requests came in emails to Wisconsin Senate President Roger Roth from China's consulate in Chicago on February 26th and March 10th. However, Roth instead drafted a resolution condemning China's handling of COVID-19. Roth said: "I was mad as hell. The awkward truth is, this request almost certainly didn't only go to Wisconsin. The Chinese embassy felt completely comfortable doing this because it often works. Even when it doesn't, people rarely go public." Rui Zhong of the Wilson Center confirms: "We are going to start seeing embassies and consulates in various places start to adapt that in their external communications efforts." The episode highlights a larger trend; amid accusations of a cover-up and lack of information sharing, China's diplomats are taking to social media to attack critics and spread a pro-PRC narrative. (Radio Free Asia, April 16, 2020)

### CHINA ESTABLISHES NEW ADMIN DISTRICTS FOR PARACELS AND SPRATLYS

China has established two new administrative districts based out of Sansha, Hainan – one for the Paracel Islands and another on the Spratly Islands. With other South China Sea claimants pre-occupied with the coronavirus, China is pushing its presence in the region, prompting the United States to accuse it of "bullying behavior." "The establishment of the so-called Sansha City and related activities seriously violated Vietnam's sovereignty. Vietnam demands that China respect Vietnam's sovereignty and abolish its wrongful decisions," said Vietnam's Foreign Ministry spokesperson. Earlier this month, Vietnam lodged a protest with China after a Vietnamese fishing boat was rammed and sunk by a China Coast Guard vessel near the Paracel Islands. (*Straits Times*, April 21, 2020)

### HONG KONG ARRESTS DEMOCRACY LEADERS

Hong Kong police have arrested fifteen pro-democracy activists, including Democratic Party founder Martin Lee, 81, on charges of organizing and participating in "unlawful assemblies" last August and October. Those arrested also include millionaire publishing tycoon Jimmy Lai, 71, and former lawmaker and barrister Margaret Ng, 72. The U.S. has condemned the arrests. (CNBC, April 18, 2020)

### OUR JUDICIAL SYSTEM IS UNDER ASSAULT, HONG KONG JUDGES SAY

Senior judges in Hong Kong say Beijing poses a grave threat to the city's judiciary system. The city's top judge, Geoffrey Ma, has to manage Communist Party officials who see the rule of law as a tool to preserve one-party rule. Following objections by pro-Beijing lawmakers in Hong Kong to two recent appointments to the city's top court, many expect Beijing to exert more influence over the appointment of new judges in the future. With at least one new vacancy still existing, the PRC is expected to take the opportunity to stack the court. "We're worried that they are losing patience, and will find ways of tightening the screws. We know from our interactions with senior mainland judges that they just don't get Hong Kong at all," said one judge. (Reuters, April 14, 2020)

### U.S., EUROPEAN AND JAPANESE FIRMS MOVE OUT OF CHINA

Three of the world's four largest economies want their companies to move out of China after the pandemic. EU trade commissioner Phil Hogan said the bloc would seek to "reduce our trade dependencies" on China in the future. Japan unveiled a \$2.2 billion fund to lure its manufacturers back home or to Southeast Asia. In the U.S., meanwhile, Larry Kudlow, the Director of the National Economic Council, has said that Washington should pay the moving costs for American firms that want to bring manufacturing back from China, while Senator Marco Rubio (R-FL) has introduced a bill that would reduce U.S. economic dependence on China. The 2019 Reshoring Index released this month by Kearney said the pandemic is forcing companies to rethink their supply chains, and accentuating trends already under way. U.S. imports from China fell 17 percent between 2018 and 2019. In this month's member survey by the American Chamber of Commerce in Shanghai, 30 percent of respondents said they are considering moving out of China. (*South China Morning Post*, April 24, 2020)