

**THE IMPACT OF NATIONAL SECURITY
LEGISLATURE ON HONG KONG
SPECIAL ADMINISTRATIVE REGION**

Victor TEO

EAI Background Brief No. 1615

Date of Publication: 28 October 2021

Executive Summary

1. China's National Security Law (NSL) enacted by the National People's Congress (NPC) came into force on 30 June 2020. For the first time, Beijing had actively intervened in the affairs of SAR (Special Administrative Region) since the 1997 handover.
2. From China's perspective, the NSL closes a significant loophole in the "One Country Two Systems" arrangement. The legislation clarifies beyond any doubt that China has complete sovereignty over Hong Kong and the SAR's "autonomy" is a bestowed privilege rather than an absolute political right.
3. The NSL has wide-ranging repercussions on the SAR's government, society and economy. The legislation boosted the powers of the executive branch and refuted the existence of the doctrine of the separation of powers in Hong Kong SAR's Westminster-modelled system.
4. NSL has halted all overt display of Hong Kong independence and removed all possibilities of the pan-democratic camp and anti-China politicians gaining power in Hong Kong through elections.
5. While central-Hong Kong relations have improved slightly, Hong Kong's place as China's "pearl of the Orient" as well as the world's "global city" has lost its shine. Hong Kong also continues to be a target of critical and negative Western media coverage, and US sanctions. The ongoing US-China tensions are likely to result in a continuation of this trend.
6. Although the NSL has reduced the influence of external "elements" in Hong Kong, particularly those working through local and social media sites and apps like Facebook and WhatsApp, foreign diplomats, political intelligence operatives and academics are still very active in Hong Kong.

7. Ironically, Beijing's reluctance to ram through an anti-sanctions law in a tit-for-tat move against the United States suggests it shares the HKSAR's concerns that due considerations ought to be given to HKSAR's global standing as a financial hub. Beijing does not want to spook global financial institutions in the territory into relocating to other Asian competitors.