



CNN – Quest Means Business Hong Kong Protests, China’s Red Lines Robert Lawrence Kuhn, August 30, 2019





HOST: Joining me live now is Robert Kuhn. He's a longtime adviser to Chinese leaders and corporations. He's also written a book called, "How China's Leaders Think". Robert, thank you so much for being with us. So, won't arresting prominent figures like Joshua Wong simply backfire and lead to an inflammation of more tensions?





RLK: The perception that China wants to repress or control Hong Kong is completely misguided because Hong Kong has been the vehicle by which capital and technology has come into China over the last four decades of reform and opening up — and now Hong Kong is even more important in what they call the “New Era”, where Hong Kong is the linchpin for what’s called the “Guangdong-Hong Kong-Macao Greater Bay Area” coordinated integration plan, which seeks to make the economy of this region world class in every respect.





RLK: Already, the region's annual GDP is a \$1.5 trillion — more probably, \$1.7 trillion — 12 percent of China's entire GDP. If the Great Bay Area were an independent country it would be almost in the Top Ten in the world. Its 2030 GDP is projected at maybe \$3.5 trillion.

So, Hong Kong's economy is extremely important. So, China has no interest in stopping that. They want to accelerate that!





RLK: But China has four "Red Lines" that it won't allow to be crossed:

1. Endangering national security which they would look upon as any move towards independence or quasi independence, like universal suffrage or free elections;

2. Challenging the authority of the central government; and

3. Using Hong Kong as a base to undermine the political system of the Mainland.

Those are the three political red lines — then, of course

4. Unending chaos would hurt the Hong Kong economy — because stability is the foundation of the economy.





RLK: So, China doesn't want to have any negative impact – they're not trying. What they're trying to do is maintain stability and also rule of law, which is important for civil society.





HOST: If they want stability... I mean look at these pictures. This is hardly stability. If they want stability, Carrie Lam actually went to the Chinese leadership and said to them, listen if we wanted to de-escalate tensions, the one thing we can do is withdraw this controversial Extradition Bill. China said No. Was that a mistake?





RLK: There were five demands if you count them — originally there were I think six....

HOST: Carrie Lam was at least willing to put that one forward.

RLK: Well, we think that; we don't know exactly what was happening inside.



RLK: The attitude of the Chinese government is they want to let the local Hong Kong government do everything possible, but they will not allow these red lines to be crossed. So, they'll give them every chance. But the central government will ratchet up the pressure only to what they think is the absolute minimum required to achieve these goals, which are that the red lines won't be crossed.





RLK: From Beijing's point of view, they believe that if you give in to one thing, it will just encourage more. So that's the tradeoff, we have. What are the kinds of agreements that can be made that will not signal to the Chinese government that these three political red lines—endangering sovereignty, challenging the government, and using Hong Kong as a base for undermining the mainland's political system would be crossed.



HOST: If I give them an inch they'll take a mile – so that sort of thinking.

HOST: Now, Joshua Wong actually released a statement on Twitter after he was arrested and he said, "Listen it's entirely unfair to arrest me as a leader of a previous mass pro-democracy movement, the Umbrella Movement five years ago, and link me to this current movement. Now it's entirely unfair. I'm not sure why they're doing it. It's no doubt going to backfire."

HOST: Does he have a point that Beijing shouldn't have sort of brought him into this?





RLK: Beijing will do whatever they have to do to make sure that these four red lines are maintained, that this chaos doesn't continue. We have the 70th anniversary of the founding of the People's Republic of China on October 1st – and this Hong Kong festering is something that is obviously counterproductive to that. So, China will do everything that they can – the minimum that they have to do to maintain these areas. They won't allow a sense of weakness for the central government.





RLK: The Chinese people are very nationalistic; all peoples are. China has a special reason because of a century of humiliation and invasion that they've had. So, they're very sensitive to infringements on their sovereignty. So, you have this tension

RLK: The large majority of the Chinese people — whether we like it or not — are not in favor of the protest. So, there's a domestic sense in China to the protests as well — you see nationalism in both places. The international only largely show what's happening in Hong Kong for good reason. But there is another side of it.





RLK: So, you have this this dual tension. Again, China will do the absolute minimum they have to, but they won't allow these red lines to be broached.

HOST: Robert Kuhn, thank you so much for your perspective. Appreciate it.

