



# China

## Evolution of protests in the Hong Kong SAR August 2019

### Key Judgements

- The suspension of a controversial bill enabling extraditions to mainland China has failed to halt the momentum of related protests in Hong Kong.
- The scope and scale of the rallies has spread beyond Hong Kong Island to include the New Territories and Kowloon, with turnout ranging from tens to hundreds of thousands.
- Security managers should ensure local and inbound staff are fully briefed on the associated risks.
- Demonstrations will continue in the short term, as participants seek to exert further pressure on the Hong Kong government. Various groups are capitalising on the tensions to call for change on local political and socio-economic issues.
- We expect the majority of demonstrations to remain largely non-violent. The likelihood of violence by a small faction of hardline activists typically increases towards the end of protests, when a more determined cohort of participants refuses to disperse.
- The situation remains fluid and it is unclear whether the protest movement can – or will be permitted to – sustain its current scale and intensity in the longer term.
- While an eventual loss of momentum and potential compromise are both plausible scenarios, further escalation is likely in the next three months. This Insight Report lists several indicators and warnings that should be closely monitored.
- While travel can continue, managers should remain responsive to rapid changes in the security environment and ensure business continuity plans are up-to-date.

---

## Background

The Hong Kong government in February proposed a bill that would enable extraditions to mainland China, triggering several weeks of large-scale demonstrations. The protest movement is primarily led by a decentralised network of pro-democracy and civil groups, including the Civil Human Rights Front (CHRF). Weekly rallies have attracted very large crowds. Organisers claimed that up to 2m people attended one of the largest gatherings on 16 June, though the police put the turnout at 338,000.

Hong Kong's Chief Executive Carrie Lam on 9 July announced that the bill had been suspended. However, the draft law has not formally been withdrawn, and the move has failed to appease activists, whose demands have now broadened. These now include Lam's resignation and the bill's complete withdrawal; an independent inquiry into police conduct during demonstrations; the release of arrested protesters; and the dissolution of the Legislative Council (LegCo), to be followed by direct elections for Chief Executive.

Moreover, various groups are capitalising on the tensions to call for change with regard to local political and socio-economic issues. Protests since mid-July have thus evolved beyond weekends and have entailed industrial action and disruption to public transport on some weekdays.

## Escalation

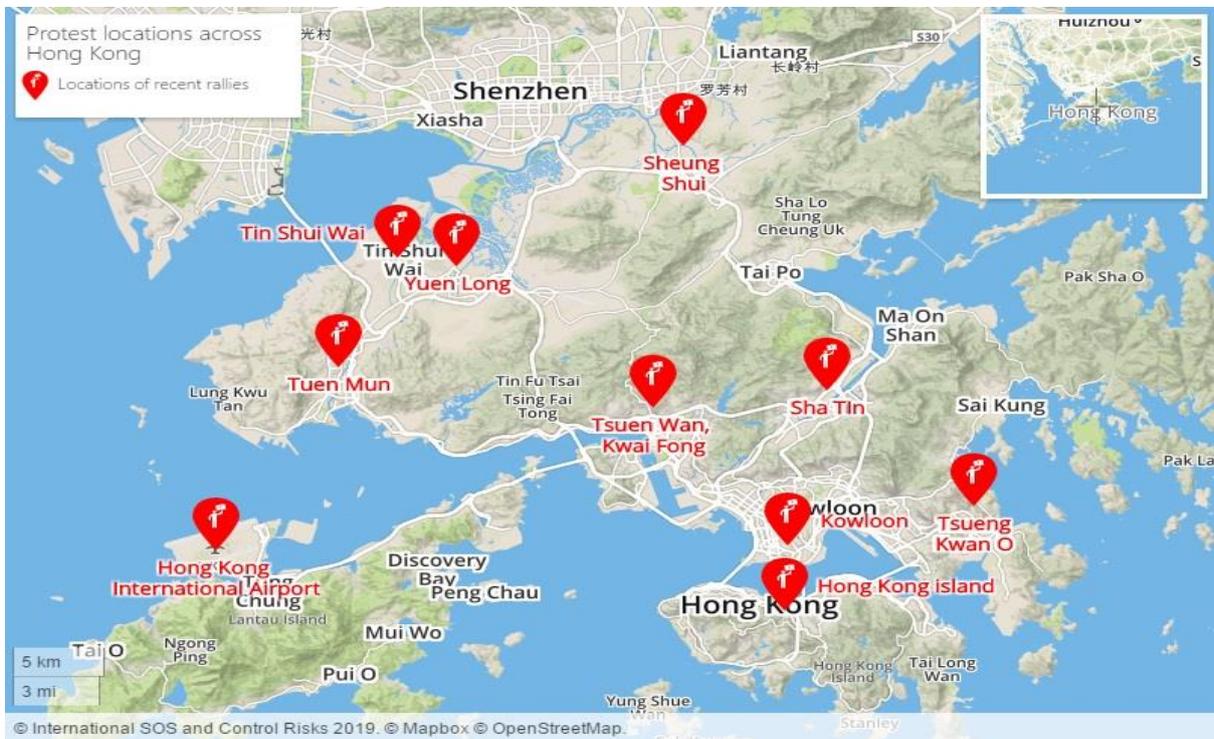
Protesters' tactics and the security force response escalated in mid-June, when demonstrators gathered around the LegCo after the scheduled conclusion of a rally. The police used tear gas, pepper spray and batons to disperse participants. Similar crowd-dispersal methods have since been used at several rallies, during which participants have occupied restricted areas, rallied without official permission, or carried out acts of vandalism. Reports indicate that the police have readied water cannon-equipped trucks in preparation for further disturbances.

At the end of a demonstration on 1 July, a few hundred hardline activists broke into and ransacked the LegCo building. On 21 July, several thousand protesters painted graffiti on the Chinese Government Liaison Office (Sai Ying Pun district) and defaced the Chinese national emblem. On the same day, at least 45 people were injured when a small group of masked individuals – armed with metal poles and other makeshift weapons and dressed in white shirts – attacked members of the public at Yuen Long Mass Transit Railway (MTR) station (New Territories). Many of the victims had earlier participated in a protest against the extradition bill. The attackers are widely speculated to have been members of a local triad (Chinese organised crime group), though this remains unconfirmed.

In a separate development on 19 July, the police raided an industrial building in Tsuen Wan, seizing improvised weapons, including probable triacetone triperoxide (TATP)-based explosives, as well as items related to the proscribed pro-independence Hong Kong National Front group.



Map 1: Common protest locations



Map 2: Wider protest locations

---

## Location and travel impact

Most protests since March have been concentrated in the Admiralty, Central and Wan Chai areas in the business district on Hong Kong island (see Map 1 above). However, demonstrations from July have also spread from areas close to government symbols to residential and shopping areas (such as Sha Tin, Sheung Shui, Tuen Mun and Yuen Long; see Map 2 above).

Popular protest locations include the LegCo, the wider Central Government Complex, Government House, the police headquarters, the Court of Final Appeal, the People's Liberation Army (PLA) building and the West Kowloon station. Open grounds such as Victoria Park, Tamar Park, Chater Garden and Southorn Playground are other flashpoints, as are the so-called 'Lennon walls' (mosaic walls set up around Hong Kong in support of the protest movement).

The police routinely close roads and secure demonstration sites ahead of approved rallies. Tram and bus services are also typically suspended, causing significant disruption. Protests have also periodically disrupted operations at several MTR stations.

## Outlook

Demonstrations by various groups will continue in the short term as participants seek to exert pressure on the Hong Kong government. Large rallies will be announced in advance and take place on key dates (see text box, left) and/or during weekends; smaller, more spontaneous gatherings will be held in response to specific events, such as outside a police station following the arrest of protesters.

We expect the majority of demonstrations to remain largely non-violent. The LegCo occupiers represent a small radical faction, though recurrences of 'white shirt' attacks on demonstrators could serve to antagonise elements of the otherwise overwhelmingly peaceful protesters. The likelihood of violence by hardline activists typically increases towards the end of protests, when a more determined cohort of participants refuses to disperse.

The situation remains fluid and it is unclear whether the protest movement can – or will be permitted to – sustain this scale and intensity in the longer term. The Hong Kong government is unlikely to acquiesce to the protesters' demands, particularly those pertaining to the dissolution of the LegCo and direct elections. While an eventual loss of momentum and potential compromise are both plausible scenarios, further escalation is likely in the next three months. The following indicators and warnings should be closely monitored.

### Scenario 1: Loss of momentum

Historically, protests in Hong Kong since 1997 have failed to maintain a high tempo over a sustained period, despite the local government refusing to yield to demonstrators' demands. The three-month-long Occupy Movement in 2014 ended with the police peacefully clearing the three occupied protest sites and no concessions on political reform having been won.

### FLASHPOINT DATES

- *28 September*: Fifth anniversary of commencement of 'Occupy Central' movement protests.
- *1 October*: 70th anniversary of the founding of the People's Republic of China
- *October*: Resumption of LegCo sessions

---

While the current protest movement has evolved and intensified over the last two months, there are three key factors that could contribute to its loss of momentum. These are:

- *Fatigue.* A lack of tangible outcomes, despite an increase in protests and adoption of varied tactics, is likely to slow the tempo of demonstrations and reduce participation. Protesters are voting against and deprioritising certain gatherings in favour of larger events, reflecting a lessening intent to maintain pressure on the government via all available means.
- *Official response.* A measured response from the Hong Kong authorities, seemingly without the support or influence of the central government, will undermine the message coming from some protest groups. Short of withdrawing the controversial bill, further amendments could be made to make it more palatable to those fearing the law could be used to target political activists. An independent enquiry into the police response to recent protests would also appease activists.
- *Increase in hardline tactics.* Should a small number of protesters adopt more hardline tactics – such as protracted protests/occupations, arson, use of homemade weapons, attacks on police officers, further vandalism of government and sensitive buildings –, this may prompt the majority of the protest movement to distance themselves from the violence, resulting in waning support.

## Scenario 2: Further escalation

There is an increased likelihood of a short-term further escalation in tensions, should the following triggers be met:

- *Casualties.* Injuries sustained by protesters, the police and/or bystanders are almost certain to occur during outbreaks of unrest. Notably, since the spike in violence on 21 July, protesters' social media output has proposed 'arming and armouring' in preparation for further conflict. If more protesters take a hardline stance, deaths and/or the infliction of serious injuries during clashes with the police or other groups are probable. In this event, both sides are liable to escalate their position.
- *Increased use of forcible riot-control measures.* As above.
- *High-profile activist suicides.* Four such incidents since June have represented a rallying point for some protesters. The possibility of a further, high-profile suicide, or 'martyring', is likely to provide a short-term catalyst for an escalation of demonstrations.
- *Further 'white-shirt' activity.* This would result in a perception of an increased threat to protesters.
- *Further discovery of explosives.* The implication that elements among the demonstrators are preparing to use explosives to attack official personnel or key infrastructure is likely to prompt a transition to a more severe response from the Hong Kong authorities.
- *Intervention from the central government.* On 29 July, the Hong Kong and Macao Affairs Office of the State Council – the leading Chinese government policy body on Hong Kong – held what is thought to be the office's first press conference since 1997. A spokesman said that the unrest had caused 'serious damage to the rule of law' and that the leading priority was to 'restore social order'. Stipulations in Hong Kong's garrison law allow the local government to request support from the PLA. However, this would require an

---

acknowledgement by the local authorities that they had lost control of the situation, and represent a significant change in the central government's intent to intervene in the affairs of Hong Kong.

## Recommendations

Monitor the situation through our alerts and remain responsive to rapid changes in the security environment. While large protests will be advertised in advance, routes may change at the last minute and any violence may escalate quickly.

Staff travelling to the business district on Hong Kong island, notably around the Admiralty, Central and Wan Chai areas, should adopt greater flexibility into their travel arrangements due to the potential for short-notice disruption. Closely liaise with local contacts to obtain information on planned protests and key dates, and plan journeys avoiding associated gatherings and sensitive areas, such as government offices, wherever feasible. On days when large or potentially disruptive protests are planned, reschedule meetings away from affected areas. Staff should avoid wearing black and white T-shirts due to these colours' current associations with rival protesters.

Staff travelling elsewhere in Hong Kong should also remain alert as spontaneous gatherings and associated violence may still occur in such locations. Other flashpoint areas include Mong Kok, Tsim Sha Tsui and Hung Hom in Kowloon; Sheung Wan and Sai Wan Ho on Hong Kong island; Yuen Long in the New Territories; and around 'Lennon walls'. In the event of unrest, and where possible to do so safely, staff should move to a secure location such as their hotel or office. Allow additional travel time and be prepared to arrange alternative transport in the event of disruption to MTR services or road conditions.

Travellers should stay at hotels close to their meeting/work locations to mitigate transport disruption and the risks associated with the more unpredictable events. Violence to date has involved protesters, the police, pro-establishment elements and state symbols. Avoiding hotels close to police stations and government buildings will reduce exposure to any such unrest. If business activity is not scheduled to take place in the Admiralty, Central and Wan Chai areas, select hotels situated away from these locations.

There is no fixed requirement to have staff work remotely, unless large-scale and/or unruly demonstrations affecting business districts are planned on a work day and are assessed to cause significant disruption. However, companies with offices in the Admiralty, Central and Wan Chai areas in particular should have resilient and tested business continuity plans, including the option for employees to work remotely or with flexible hours on days when large and/or disruptive demonstrations are planned. Well-attended rallies typically take place on Friday evenings, and can result in increased traffic congestion during evening peak hours, which should be considered when reviewing work arrangements.