# The Theory and Practice of "One-Country-Two-Systems" in Macao

Herbert S. YEE

Beijing designed a "one country, two systems" formula to solve the problem of ruling Hong Kong after its reversion to China in July 1997. Article 5 of the Hong Kong Basic Law stipulates that "the socialist system and policies shall not be practiced in the Hong Kong Special Administrative Region (HKSAR) and the previous capitalist system and way of life shall remain unchanged for 50 years." The "Preamble" of the Hong Kong Basic Law stipulates that the People's Republic of China (PRC) adopts the principle of "One Country, Two Systems" to maintain the "prosperity and stability" of Hong Kong by "taking account of its history and realities". The "realities" were many Hong Kong people did not trust the PRC and had fled the territory after the start of Sino-British negotiations on Hong Kong's handover in the early 1980s. China has since 1978 adopted a policy of "reform and opening" and a prosperous and stable Hong Kong would be a great asset to the mainland as a "window" for its opening policy. In any event, the PRC did not have any experience in ruling a "capitalist" Hong Kong and the principle of "One Country, Two Systems" might also appeal to Taiwan as a probable formula for reunification. The PRC authorizes, as stipulated in the Hong Kong Basic Law Article 2, the HKSAR "to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication, in accordance with the provisions of this Law." The HKSAR also enjoys

independent finances. Moreover, the Hong Kong Basic Law deliberately establishes an authoritarian, executive-led government, with a powerful Chief Executive.

The Macao Basic Law, which was promulgated in March 1993, three years after the Hong Kong Basic Law, is largely a duplicate of the latter, with minor yet crucial changes taking account of Macao's "history and realities" (Preamble of Macao Basic Law). Like the Hong Kong Basic Law, the Macao Basic Law grants the Macao Special Administrative Region (MSAR) a high degree of political autonomy as well as judicial and financial independence. Yet it gives the MSAR Chief Executive more power than his Hong Kong counterpart. Macao has returned to its motherland for more than 12 years. This chapter evaluates the practice of "One Country, Two Systems" in Macao. It argues that principle of "One Country, Two Systems" has not been successfully implemented in Macao and that the absence of "checks and balances" on the MSAR executive branch's power has been the major source of administrative corruption. It also argues that the trend of "mainlandization" will in the long-run jeopardize the principle of "One Country, Two Systems".

# The Myth and Reality of "Macao People Ruling Macao"

As the introduction of the "One Country, Two Systems" formula is unprecedented in the PRC's history, its actual implementation in Hong Kong and Macao is highly controversial. It has aroused the debate: "One Country" or "Two Systems", which one is more important? For pro-Beijing political groups in Hong Kong and Macao, "One Country" is the prerequisite for "Two Systems" and hence national interests override local SAR interests. Other more neutral or pro-democracy local political groups stress the importance of distinguishing the SAR capitalist system from the mainland socialist system. Arguably, ignoring the difference between the two systems would, sooner or later, render Hong Kong or Macao to become just another Chinese city like Shenzhen and

Zhuhai. Most political groups, however, agree that the "One Country, Two Systems" formula can work only when the Hong Kong and Macao people are capable of ruling themselves. This section evaluates the practice of "Macao people ruling Macao" after Macao's 1999 reversion to Chinese rule.

Citizens are often concerned about the performance of their respective governments, which in turn affects citizens' attitudes toward political participations. How well has the MSAR government performed since the handover? Table 1 compares the evaluation of the overall performance of the Macao government by Macao citizens in 1991, 1999, 2001, 2006, 2008 and 2009. Data from 1991 are based on household visits of Macao citizens aged 18 and above conducted by the author and his associates. The data from the other years are based on telephone surveys. With the exception of the 2008 survey, surveys conducted in 1999, 2001, 2006 and 2009 were supervised by the author. The June 2008 survey was conducted by the MSAR's Strategic Research Center for Sustainable Development. All the above surveys used random samples and their results are reliable.

Table 1 indicates that Macao citizens' satisfaction with the overall performance of the government has been increased significantly since the handover in December 1999. Understandably, citizens' evaluation of government performance is affected by the state of the economy. Macao's economy has rebounded strongly from the Asian financial crisis of the late 1990s, especially after the 2004 opening of American style casinos like the Sands and the flooding of mainland visitors after the lifting of individual tourism travel restrictions by Beijing in 2003. Macao's casino intakes, the tax on which accounted for over 70% of total MSAR government revenues, have surpassed Las Vegas since 2007. Yet the global financial tsunami and the tightening policy of mainland "individual tourists" in 2008 inflicted a heavy blow to Macao's economy. Its GDP growth slowed in early 2008 and plunged into negative growth in the fourth quarter of 2008 and the first quarter of 2009.4 Table 1 shows that Macao citizens' satisfaction of the MSAR government peaked in 2006 at 39.9% yet eroded to 28.6% in 2008 and 25.1% in 2009. The significant drop of government popularity in 2008 and 2009 was also caused by the Ao Man Long corruption scandal, the

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widening income gap between the rich and poor, and the fast climbing housing prices. Yet, despite mounting economic crises and social woes, Macao citizens' dissatisfaction (23.4% in 2008 and 14.5% in 2009) with the government was relatively mild as compared to the eve of handover (39.2% in 1999). Apparently, Macao citizens seem to be more patient with the MSAR government than with the then Portuguese colonial government. Why? Has there been any significant change in Macao citizens' political participation after the handover? What is the political efficacy of Macao citizens?

Table 1. Evaluation of the Overall Performance of the Macao Government (%)

| Q: What is your evaluation of the overall performance of the Macau government? |                 |                 |                 |                  |                  |                 |  |  |  |
|--|-----------------|-----------------|-----------------|------------------|------------------|-----------------|--|--|--|
|  | 1991<br>(N=658) | 1999<br>(N=496) | 2001<br>(N=462) | 2006<br>(N=5467) | 2008<br>(N=1017) | 2009<br>(N=863) |  |  |  |
| Satisfied  | 17.9            | 22.4            | 24.9            | 39.9             | 28.6             | 25.1            |  |  |  |
| Neutral  | 41.1            | 31.0            | 51.6            | 42.7             | 45.6             | 51.7            |  |  |  |
| Not satisfied  | 23.1            | 39.2            | 18.6            | 11.6             | 23.4             | 14.5            |  |  |  |
| No opinion   | 17.8            | 7.5             | 4.8             | 5.9              | 2.4              | 8.7             |  |  |  |

Table 2 below shows that Macao citizens' confidence in influencing government policies (civic competence of internal political efficacy) remains low after the handover. Although the percentages of those who believed they could influence government policies in the 2006 (13%) and 2009 (10.4%) surveys were more than doubled that in 1999 (5.0%), the proportion of respondents who did not think they could influence government policies remained high (exceeded 70%). Apparently, the slogan of "Macao people ruling Macao" has failed to boost the internal political efficacy of the majority Macao citizens. Moreover, the recent drop (from 13% in 2006 to 10.4% in 2009) in Macao citizens' political efficacy reflects their frustration with the MSAR government after the Ao scandal.

| Q: Can you influence government policies? |                 |                 |                 |                 |                 |  |  |  |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|--|--|--|
|   | 1991<br>(N=658) | 1999<br>(N=496) | 2001<br>(N=462) | 2006<br>(N=546) | 2009<br>(N=847) |  |  |  |
| Can                                       | 5.7             | 5.0             | 10.1            | 13.1            | 10.4            |  |  |  |
| Rarely                                    | 18.2            | 17.8            | 22.1            | 13.0            | 17.4            |  |  |  |
| Cannot                                    | 76.1            | 67.9            | 63.2            | 73.8            | 72.3            |  |  |  |
| No opinion                                | _               | 9.3             | 4.5             | -               | _               |  |  |  |

Table 2. Civic Competence (%)

However, Macao people seem to have higher subject competence or external political efficacy. Table 3 below shows that about 27% of the 2006 respondents thought the government departments would help them to solve their problems if they asked for help, a marked improvement over the 1991 (14%) or 1999 (12.2%) survey; while a similar proportion (26.3%) of respondents in 2006 felt that they would not get help from the government departments, also a significant drop from pre-handover surveys. Apparently, the Macau people tend to trust the MSAR government more than the former Portuguese government and expect a government led by local elites to be responsible to Macao citizens. That partly explains why Macao citizens are more tolerant of the present MSAR government's performance than the former Portuguese government. However, their trust of the MSAR government significantly eroded to 17.3% in 2009 by the Ao scandal and other regime maladministrations.

Table 3. Subject Competence (%)

| Q: If you ask some government departments for help, do you think they will seriously help you to solve your problem? |      |      |      |      |      |  |  |  |
|--|------|------|------|------|------|--|--|--|
| 1991 1999 2001 2006 2009<br>(N=658) (N=496) (N=462) (N=546) (N=860)  |      |      |      |      |      |  |  |  |
| Helpful  | 14.0 | 12.2 | 20.4 | 26.9 | 17.3 |  |  |  |
| Perhaps  | 32.5 | 30.7 | 42.2 | 35.3 | 38.3 |  |  |  |
| Not helpful  | 30.7 | 41.2 | 25.2 | 26.3 | 32.7 |  |  |  |
| No opinion   | 22.8 | 15.8 | 12.2 | 11.4 | 11.6 |  |  |  |

How do Macao people react to government wrongdoing? Table 4 below shows that the proportion of Macao citizens who might take action to oppose government policies that seriously affect their interests has been increasing after the handover, from 22.7% in 1999 to 40.3% in 2006. The findings again reflect higher expectation of Macao citizens toward the MSAR government and an increasing awareness of citizen rights among the Macao populace. The significant difference between the 1991 and 1999 data could probably be explained by the different governing styles of Governor Carlos Melancia and Governor Vasco Rocha Vieira. Macao people appeared to be more willing to take action against the more liberal Melancia in the early 1990s than against the more authoritarian Vieira in the late 1990s. Moreover, the local people were more concerned about the progress of localization and other issues at the beginning of Macao's transition to Chinese rule than at the end of the transition period when things were more or less settled. Also note that the Ao Man Long scandal has contributed to the recent drop (from 40.3% in 2006 to 33.1% in 2009) of citizens' willingness to take political actions.

Table 4. Reaction to Government Wrongdoing (%)

| Q: Will you take any action to oppose a government policy that seriously affects your interest? |      |      |      |      |      |  |  |  |  |
|---|------|------|------|------|------|--|--|--|--|
| 1991 1999 2001 2006 2009<br>(N=658) (N=496) (N=462) (N=546) (N=863)                             |      |      |      |      |      |  |  |  |  |
| Will take action  | 35.4 | 22.7 | 29.2 | 40.3 | 33.1 |  |  |  |  |
| Perhaps   | 19.8 | 17.8 | 30.7 | 21.8 | 21.6 |  |  |  |  |
| Won't   | 33.7 | 44.5 | 32.9 | 32.8 | 39.8 |  |  |  |  |
| No opinion  | 11.1 | 15.0 | 7.2  | 5.1  | 5.6  |  |  |  |  |

However, expressed willingness to take action against government wrongdoing is not the same as actually taking actions. In the 1991, 2006 and 2009 surveys, we asked our respondents whether they had ever taken any action against government wrongdoing. In the three surveys, actual actions taken by our respondents were quite diversified (see Table 5). However, the Macao people seem to be more inclined to complain to government

departments to express their grievances after the handover, reflecting that they tend to have more confidence in the MSAR government. It is interesting to note that the Macao people in 1991 appeared to be more prone for radical actions such as protests, demonstrations, sit-ins or strikes. This could be explained by Macao citizens' active participation in street demonstrations supporting the student movements in Beijing in May and June 1989. Respondents in the 1991 survey were apparently still fresh from the memories of the 1989 demonstrations.

Table 5. Actual Actions against Government Wrongdoing (%)

| Q: I | Q: Have you ever taken any action against government wrongdoing? |         |         |         |  |  |  |  |
|------|--|---------|---------|---------|--|--|--|--|
|      |  | 1991    | 2006    | 2009    |  |  |  |  |
|      |  | (N=658) | (N=546) | (N=863) |  |  |  |  |
| (1)  | Complain to government departments                               | 8.2     | 15.8    | 14.5    |  |  |  |  |
| (2)  | Ask legislators for help   | 4.4     | 5.1     | 6.6     |  |  |  |  |
| (3)  | Write or call up the local press, television and radio stations  | 5.2     | 9.2     | 5.4     |  |  |  |  |
| (4)  | Ask social and citizen groups for help                           | 5.0     | 7.1     | 6.0     |  |  |  |  |
| (5)  | Protests, demonstrations, sit-ins, and strikes                   | 13.5    | 7.1     | 7.3     |  |  |  |  |
| (6)  | Other actions  | -       | 3.1     | -       |  |  |  |  |

In short, our findings indicate that Macao people's political efficacy has been slightly improved since the 1999 handover. They are more prone to take actions to oppose government policies that seriously affect their interests. They also tend to trust the MSAR government more than the former Portuguese government. The 2008 telephone survey indicates that a plurality (42.2%) of Macao citizens believed that Macao had successfully implemented the policy of political "autonomy" and "Macao people ruling Macao", only a small minority (13.5%) disagreed. Yet, in the same survey, about 20% of the respondents did not think the Macao people could rule Macao by themselves while 50% were skeptical of their own

people's ability to govern Macao. These apparently contradictory findings suggest that the principle of "Macao people ruling Macao", though welcome by the local populace, has yet to be successfully implemented.

## Change in Executive-Legislative Relations

Another important aspect of Macau's political development after the handover is the declining influence of the legislature and the rising executive power. The MSAR political system, thanks to the Basic Law's constitutional design and the political convention inherited from the Portuguese administration, is dominated by the executive branch's power or an "executive-led" system.<sup>6</sup>

As a law-making body, the Macao Legislative Assembly had traditionally played a supervisory role over the Portuguese administration. The colonial legislature shared its legislative power with the governor. The governor controlled the legislative process by initiating law proposals (or bills) and mobilizing the pro-government legislators to endorse government's law proposals. In short, the governor was the center of both executive and law-making power. The pre-1999 legislators, however, were proactive in submitting law drafts for consideration and approval. Indeed, Table 6 shows that private bills submitted by individual legislators even exceeded the number of government bills in the 5th Legislative Assembly (1992-1996). It is important to note that government bills were occasionally disapproved or forced to be withdrawn by the legislature, although private bills had encountered more problems because of conflicting political forces, namely pro-government, pro-Beijing and local Macanese (a mixture of Portuguese and Chinese blood) forces in the Legislative Assembly.

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|    |  |               |               | ,             |               | ,             |                   |    |                       |                       |
|----|--|---------------|---------------|---------------|---------------|---------------|-------------------|----|-----------------------|-----------------------|
|    |  | 1976–<br>1980 | 1980–<br>1984 | 1984–<br>1988 | 1988–<br>1992 | 1992–<br>1996 | 1996–<br>Jul 1999 |    | Oct 2001–<br>Aug 2005 | Oct 2005-<br>Aug 2009 |
| (, | Law proposals<br>submitted by<br>the government            | 60            | 50            | 53            | 51            | 41            | 17                | 36 | 42                    | 48                    |
|    | Approved   | 57            | 34            | 48            | 35            | 35            | 11                | 36 | 42                    | 48                    |
|    | Disapproved  | 0             | 2             | 0             | 2             | 3             | 1                 | 0  | 0                     | 0                     |
|    | Not discussed  | 3             | 14            | 4             | 9             | 2             | 4                 | 0  | 0                     | 0                     |
|    | Withdrawn  | 0             | 0             | 1             | 5             | 1             | 1                 | 0  | 0                     | 0                     |
| (1 | B) Law drafts<br>submitted by<br>individual<br>legislators | 34            | 18            | 20            | 45            | 50            | 31                | 6  | 4                     | 8                     |
|    | Approved   | 30            | 14            | 14            | 24            | 28            | 16                | 4  | 4                     | 6                     |
|    | Disapproved  | 0             | 0             | 0             | 3             | 12            | 9                 | 0  | 0                     | 2                     |
|    | Not discussed  | 4             | 4             | 4             | 12            | 7             | 5                 | 0  | 0                     | 0                     |

Table 6. Records of Law-making in Macau's Legislative Assembly (1976–2009)

Sources: The table is compiled by the author from information provided by the Secretary Office of the Macau Legislative Assembly.

Withdrawn

The reversion of Macao to the PRC on December 20, 1999 has significantly changed the role of the Legislative Assembly, especially its relationship with the executive administration. According to the Macao Basic Law that stipulates the power limits of the legislature and the MSAR government headed by the Chief Executive as well as the power relationship between the two, the new MSAR Legislative Assembly is the sole law-making body. Nowhere in the Basic Law is it indicated that the Chief Executive possesses any legislative power. All laws have to be approved by the legislature and the Chief Executive cannot issue law by decree. The MSAR government, however, retains the initiative to table law proposals in the legislature.

On the other hand, the individual legislator's right to table private bills is restricted by the Basic Law. According to Article 75 of the Basic Law, individual legislators can only introduce private bills "which do not relate to public expenditure or political structure

or the operation of the government". Moreover, the same article stipulates that bills relating to government policies require the written consent of the Chief Executive. Article 75 in effect pre-empts the Legislative Assembly's legislative power. 8 In any event, the Article 75 stipulations have apparently created caution in individual legislators when tabling private bills; the number of private bills introduced by individual legislators has dropped sharply in the post-1999 Legislative Assembly. In the 10 years following the handover, 126 laws were proposed by the government and all were approved by the legislature whilst only 18 private bills were submitted to the legislature and only 14 were approved (see Table 6). Furthermore, in an apparent attempt to avoid a power struggle and to ensure a harmonious relationship between the executive and legislative branches, the pro-regime legislators have set up internal Legislative Assembly regulations to prohibit legislators from revising or amending government bills which fall into the four areas mentioned above. Individual legislators can only either endorse or reject the government bills as proposed. In a legislature dominated by pro-government legislators, voting on government bills has thus become a mere formality. As a result, the MSAR legislature has become more like a rubber stamp and has failed to play an effective supervisory role over the MSAR administration.

Unlike Hong Kong's Legislative Council, Macao's Legislative Assembly does not have a Finance Committee to oversee government expenditures. The legislature thus cannot systematically examine and supervise government expenditures. Moreover, the MSAR Legislative Assembly does not have any internal procedural regulation to deal with government expenditures. The government and the pro-regime legislators apparently do not feel any urgent need to introduce such regulations despite pressure from liberal legislators. Furthermore, attempts by individual legislators to amend the budget need, according to Article 75 of the Basic Law, written permission from the Chief Executive.

The MSAR Chief Executive, according to its Basic Law, is responsible to the PRC central government in Beijing as well as to the MSAR. Yet, in practice, since the Chief Executive is not universally elected by the Macao people but by an election committee comprised of, exclusively, 300 pro-Beijing members, the

Chief Executive is only accountable to Beijing. With a weakened Legislative Assembly and without people's supervision, the MSAR Chief Executive and his administration are arguably more powerful than his Portuguese predecessors. The dominant influence of his administration is further buttressed by the absence of vigorous scrutiny from the local media and opposition political forces. The local press is dominated by the pro-Beijing and pro-regime Macau Daily News (Aomen Ribao), which enjoys a 90% share of the local newspaper circulation. The circulation and influence of vociferous local Portuguese press has sharply declined after the handover. A handful of minor local Chinese newspapers, with the exception of the casino interests-backed Citizens Daily, cannot survive without government subsidies. The local television station is government owned. Moreover, unlike Hong Kong, the Macao SAR does not have a strong and critical liberal voice. While nearly half of the HKSAR Legislative Council seats are taken by liberal legislators, the MSAR Legislative Assembly has only two liberal legislators, Ng Kwok Cheng and Au Kam San, whose influence on the government is seriously restricted by the MSAR Basic Law and the much weakened legislature. Macao has indeed successfully introduced a very powerful "executive-led" government after the handover. Inaugural Chief Executive Edmund Ho's successors will, by the design of the MSAR Basic Law, become powerful administrators. The slogan of "Macao people ruling Macao" carries little meaning when the power of the MSAR Chief Executive is unchecked and the MSAR government is not responsible to the legislature and the Macao people. According to a 2009 survey, only 20.9% of the respondents felt that the legislature was able to oversee the MSAR government, 36.5% were skeptical of legislative power, while 42.7% did not think the legislature could do anything to check the executive power.<sup>10</sup>

# A High Degree of Political Autonomy or "Mainlandization"?

Another important yardstick for judging how successfully the "One Country, Two Systems" formula has been implemented in Macao is the degree of political autonomy obtained in the MSAR after the handover. As mentioned above, the principle of "Macao people

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ruling Macao" is not fully realized because Macao citizens cannot elect their Chief Executive and the partially elected legislature has been significantly weakened by the MSAR Basic Law. 11 As the unchallenged top local politician and, thanks to the Basic Law, the powerful head of an "executive-led" MSAR government, can the Chief Executive obtain a high degree of political autonomy from the PRC central government in Beijing? The answer, unfortunately, is negative. In theory, according to the MSAR Basic Law, the Chief Executive is elected by an election committee comprised of 300 members (to be increased to 400 for the next election in 2014). In practice, the Chief Executive is hand-picked by Beijing. Beijing wants, first and foremost, a politically reliable and obedient Chief Executive; secondly, he must be acceptable to local pro-Beijing political elements and social groups. The Chief Executive, according to the Basic Law, pledges his loyalty to the central government. Not being universally elected by Macao citizens, the Chief Executive does not have the mandate of the Macao people; his source of power comes solely from Beijing. In theory and in reality, he is only responsible to the PRC central government in Beijing and not to the Macao people.

Understandably, we should not expect too much form the MSAR's first Chief Executive Edmund Ho Hau Wah. In fact, the performance of Ho's administration in the 1999-2009 decade indicates a clear trend toward declining local "autonomy" and an increasing trend of "mainlandization". 12 Macao has only limited land, water, food and other resources and is highly dependent on the mainland for survival. Its economic prosperity, the gaming industry in particular, is highly vulnerable to mainland policies. Macao enjoyed double-digit growth rates after the 2002 opening the casino sector to foreign investors (approved and probably initiated by Beijing) 13 and Beijing's policy of allowing individual mainland tourists to visit Macao in 2003. But Macao's economy and its gaming industry suffered a serious set-back in 2008 when the mainland authorities tightened the policy on individual mainlander tourism in the name of assisting or forcing Macao to diversify its economy. Mr. Edmund Ho had done little to fight for local interests. In fact, he praised the central government for tightening individual mainlander tourism and assisting Macao to diversify its economy. Mr. Ho and his administration rarely took the initiatives to fight for or protect local interests. He was apparently more concerned about adopting a politically correct policy.

Indeed, the increasing "politicization" of mainland policies toward Macao further erodes Macao's "autonomy". Macao, of course, had benefited from mainland's "politicized" economic policies. The opening of Macao's gaming industry to American investors-operators was approved by Beijing as a friendly gesture to US investment in China mainland. Before the thawing of mainland-Taiwan relations, hundreds of Taiwan businessmen flew to Macao daily for transfer flights to mainland destinations. After the inauguration of direct flights between Taiwan and the mainland in 2008, the number of Taiwan travelers using the Macao airport has dropped sharply. Meanwhile, mainland tourists have been flooding Taiwan after the Taiwan-mainland thaw. Moreover, Taiwan plans to open its own casinos in a few years. As a United Front strategy aiming at an eventual reunification with Taiwan by making Taiwan's economy more dependent on the mainland, Beijing would likely allow and facilitate mainlanders' visit to Taiwan's new casinos while restricting mainlanders' visit to Macao's casinos. The MSAR government will then have no choice but to support Beijing's Taiwan policy because national reunification overrides local MSAR gaming industry interests. In a sense, the MSAR's "autonomy" level is even lower than a mainland city. It is not unusual for a mainland city to adopt "local policies" to protect local interests. But the MSAR government since 1999 has never taken similar efforts. It accepts Beijing policies and instructions obediently, regardless whether those policies are beneficial or harmful to local Macao interests.

Another trend which will further erode Macao's autonomy and, indeed, the viability of the "One Country, Two Systems" formula, is the increasing signs of "mainlandization". First, Macao has only limited human resources and it has to rely heavily on imported workers, especially from the mainland. Putonghua-speaking mainlanders are employed in virtually all sectors of the MSAR economy. In the public-funded Macao Polytechnic Institute, for instance, most meetings are conducted in Putonghua. The president and vice-president of the Institute, both come from the mainland, do

not speak Cantonese well. Four of the six faculty deans also come from the mainland. Many courses are taught in Putonghua by mainland teachers. Similar trends are also happening in other local tertiary institutions. The presidents of both the University of Macau and the Macao University of Science and Technology (MUST) are mainland scholars. Moreover, mainland students attending local tertiary institutions have increased significantly since the 1999 handover. Indeed, more than 80% of MUST students come from the mainland and the MUST campus is no different from any university campus on the Chinese mainland.

Secondly, increasing number of Macao residents can speak Putonghua. Local primary and secondary schools have introduced Putonghua lessons after the handover. In fact, pro-Beijing "patriotic" (ai guo) schools have introduced Putonghua to pre-school or kindergarten classes. Moreover, attending mainland universities is a popular choice among local high school graduates. Thus, unlike their parents or elder brothers or sisters, the post-1999 MSAR generation can speak good Putonghua. Many Macao folks have also learned to speak Putonghua because of the needs of their work. More than half of Macao's tourists come from the mainland and the proportion is likely to increase in the future when Beijing loosens the restrictions on mainlander individual tourism. The MSAR government has also assisted and encouraged its employees to learn Putonghua by offering free Putonghua lessons; 68% of government employees can speak Putonghua, an increase of five percentage points over that in 1999. By comparison, only 41% of government employees can speak Portuguese, a drop of five percentage points from 1999.14

Thirdly, "mainlandization" is reflected in Macao people's increasingly strong identification with mainland China. Table 7 below shows that local people's identification with both China mainland and Macao have increased significantly since the handover; 77.4% and 60.7% of the respondents in the 2009 survey indicated, respectively, that they were proud of being Chinese and Macao citizens, while the corresponding findings in 1999 were 74.1% and 38.8%. It is important to note that the percentages of those who are proud of being Chinese have been consistently higher than those who are proud of being Macao citizens, reflecting the prevailing

pro-Beijing or "patriotic" *ai guo* feelings among the local populace. In the 2008 telephone survey, 82% of the respondents indicated that they had confidence in China's future development while only 3% did not have confidence. More importantly, in the same survey, 70% of the respondents believed that increasingly closer mainland-MSAR relations would bring more benefits than harm to Macao; only 9% indicated the opposite. Apparently, a rapidly rising China with increasing global economic clout and political influence has contributed to Macao people's increasing identification with China mainland and Chinese values. Few local people realize or seem to be concerned about that increasing "mainlandization" will jeopardize the implementation of "One Country, Two Systems" formula in Macao.

Table 7. Identifying with China and Macau (%)

| Q: Are you proud of : |                        | Yes  | No   | No<br>opinion | N   |
|-----------------------|------------------------|------|------|---------------|-----|
| (1)                   | being a Macau citizen? |      |      |               |     |
|                       | 1991                   | 53.6 | 28.1 | 18.3          | 658 |
|                       | 1999                   | 38.8 | 45.9 | 15.3          | 496 |
|                       | 2001                   | 43.9 | 44.2 | 11.9          | 462 |
|                       | 2006                   | 65.8 | 26.7 | 7.5           | 546 |
|                       | 2009                   | 60.7 | 28.3 | 11.0          | 862 |
| (2)                   | being Chinese?         |      |      |               |     |
|                       | 1991                   | 66.9 | 18.8 | 14.3          | 658 |
|                       | 1999                   | 74.1 | 15.0 | 10.9          | 496 |
|                       | 2001                   | 77.5 | 17.1 | 5.4           | 462 |
|                       | 2006                   | 79.5 | 15.0 | 5.5           | 546 |
|                       | 2009                   | 77.4 | 14.0 | 8.6           | 863 |

Lastly, another sign of "mainlandization" is Macao people's acceptance, or at least tolerance, of the mainland's socialist political values. On the eve of the 20th anniversary of the 1989 June 4th Incident, an estimated 110,000 Hong Kong people joined the candlelight vigil held in the island's Victoria Park in memory of the young students and intellectuals who sacrificed their lives fighting for democracy in Tiananmen Square, <sup>15</sup> while a similar assembly in Macao held in Senador Square attracted only 100 Macao persons. <sup>16</sup>

Moreover, the local Chinese newspapers including the influential *Macau Daily* did not even report the candlelight vigils held in Hong Kong and Macao. Unlike the Hong Kong people, who regard freedom and democracy as the core values of Hong Kong, are highly critical of Beijing's 1989 crackdown on the Beijing student demonstrators and demand official apology for regime wrongdoing, most Macao people choose not to challenge Beijing's official explanation of the June 4th Incident. Like in the mainland, the June 4th Incident is a taboo in Macao. Macao is apparently conforming to the mainstream political values in the PRC Mainland. Different political values distinguish a capitalist from a socialist system. If Macao people forsake the universal value of freedom and democracy, the MSAR will politically converge with the mainland as "One Country" in two or three decades or even much sooner.

### Conclusion

The Macao Basic Law intends to enshrine the principle of "One Country, Two Systems" by establishing an "executive-led" MSAR government with a high degree of autonomy assisted by the Macao people who are supposedly expected to rule themselves. This chapter argues, as illustrated by unfolding events and trends since Macao's reversion to China in 1999, Beijing has successfully established a powerful "executive-led" MSAR government, yet its power is not properly supervised by the local legislature, media or populace. Beijing, however, has been less successful in establishing a MSAR government with a high degree of autonomy. The Macao Basic Law installs an obedient and loyal Chief Executive by holding him to be mainly responsible to the PRC central government in Beijing and not to the Macau people. In effect, Edmund Ho, the first MSAR Chief Executive, has never voiced in public any opposition to or dissatisfaction with Beijing's policies toward Macao, regardless whether those policies would benefit or harm Macao interests. Neither has Ho's successor, Fernando Chui Sai On, ever opposed to Beijing's Macao policies. On the other hand, although the political efficacy of Macao people has been slightly improved since 1999, the majority of Macao residents do not think they are capable of ruling Macao by themselves. In fact, as long as the MSAR political scene is dominated by a powerful Chief Executive who is not universally elected by the Macao people and hence not held responsible to the local populace, the policy of "Macao people ruling Macao" remains a myth.

Another trend hindering the effective implementation of "One Country, Two Systems" in Macao is the increasing "mainlandization" of the MSAR. Thanks to the central government's policy of "individual tourists" in 2003 Macao has since been flooded with mainland visitors. In an effort to attract mainland customers, many local companies have imported Putonghua-speaking mainland workers. Closer mainland-MSAR economic relations also increase the demand Putonghua-speaking employees in Macao's other economic sectors. Local primary and secondary schools help to spread the popularity of Putonghua by introducing Putonghua classes. Another sign of "mainlandization" is Macao people's increasing willingness to accept, or at least tolerate, the PRC mainland's authoritarian one-party political system. Rising Chinese economic power and international status serve as a centripetal force drawing Macao people closer to the mainstream mainland values. Arguably, "mainlandization" may result in closer mainland-Macao interface and bring prosperity and stability to Macao. However, a Macao which looks increasingly like just another mainland Chinese city means the beginning of the ending of "One Country, Two Systems".

#### Notes

- 1. Herbert S. Yee, Liu Bolong and Ngo Tak Wing, *Aomen Huaren zhengshi wenhua* (The Political Culture of the Macau Chinese), (Macao: The Macao Foundation, 1993).
- The author was a member of the research team that conducted the 2008 survey in Macao.
- See Herbert S. Yee, "Mass Political Culture and Political Development in Post-1999 Macau", China Perspectives, no. 44 (November–December, 2002), pp. 29–40; and Herbert S. Yee and Lu Guomin, "Da zhong zheng zhi wen hua" (The Mass Political Culture), in Huang Shaolun, Yang

- Ruwan, Yin Baoshan and Zheng Hongtai, eds., *Aomen She Hui Shi Lu* (A Societal Record of Macao), (Hong Kong: Chinese University of Hong Kong, 2007), pp. 299–321.
- 4. Macao's economy dropped by 7.6% and 12.9%, respectively, in the 4th quarter of 2008 and the 1st quarter of 2009. See *Macau Daily News*, May 30, 2009, p. l.
- 5. Macao's then Secretary for Public Works and Transport Ao Man Long was arrested on 6 December 2006 for allegedly receiving bribes, laundering dirty money, and possessing unaccountable assets that exceeded MOP800 million (US\$1.00=MOP8). For a detailed discussion of Ao's scandal see Sonny Shiu-Hiu Lo, *Political Change in Macao* (London and New York: Routledge, 2008), pp. 26–28.
- Herbert S. Yee, "The 2001 Legislative Assembly elections and political development in Macau," *Journal of Contemporary China*, 14(43), May, 2005, pp. 225–245.
- 7. This point is acutely pointed out by legal experts. See Antonio Baltar Malheiro de Mgalhaes, "Os principios de separacao dos poderes na Lei Basica da futura regiao Administrativa Especial de Macau," *Administraciio* 11 (41), September 1998, p. 730.
- 8. Ibid.
- 9. Sixteen out of twenty-nine legislators are represented in the 300-member election committee. According to Ng Kuok Cheong and Au Kam San, the two liberal legislators, they are invited by pro-Beijing political groups to join the election committee but they have chosen not to, fearing their participation will enhance the legitimacy of the Chief Executive. In any case, their participation in the election committee has little impact on the election result. Telephone interview with Au Kam San, 7 June 2009.
- The survey was conducted by the MSAR's Strategic Research Center for Sustainable Development. The author was a member of the research team.
- 11. The present Legislative Assembly now has 12 directly elected seats, 10 indirectly elected (by functional groups) seats and 7 government appointed seats.
- 12. I use the term "mainlandization" instead of the more common "Sinification" because Macao is already a part of China.
- 13. See Sonny Shiu-Hing, Political Change in Macao, p. 38.
- 14. The above figures are provided by the Office of Administration and Public Service, MSAR Government.
- 15. One independent study conducted by the University of Hong Kong has estimated that some 110,000 to 130,000 people participated in the candlelight vigil held in Victoria Park. *Hong Kong Economic Times* (Jingji ribao), 13 June 2009, A20.
- 16. Macau Daily Times, 5 June 2009, p. 3.