

Reinterpreting Macao's society, politics and economy

Since Macao's administration was returned from Portugal to the People's Republic of China (PRC) on 20 December 1999, little attempt has been made to reinterpret or revisit the triangular relationships between the society, politics and economy of the Macao Special Administrative Region (MSAR). This article reinterprets the MSAR's dialectical processes of both development and underdevelopment.

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MACAO'S ECONOMY has been developing quickly with tremendous growth in the casino sector. However, this casino-driven economic development has generated a largely dependent (if not materialistic and egoistic) middle class, whose members depend on economic prosperity and social stability to such an extent that they have shied away from political advocacy and democratic struggle. At best, some of them have selected their casino representatives in the direct elections held for the Legislative Assembly. Simultaneously, the MSAR society has seen a contradictory development with not only more pro-government groups supported by the administration, both financially through subsidies and politically through co-optation into various advisory bodies, but also with more young, independent, critical and pro-democracy citizens who abhor the patron-client politics of Macao. The casino capitalism, which has stimulated the worsening income gap between rich and poor, has also propelled the minimal development of the MSAR civil society. Overall, the patronage political system of Macao, where the ruling elites benefit their own friends and supporters through a complex web of pro-government interest groups, including labour unions, women's organizations and neighbourhood associations, has stifled democratic transformations. Although the MSAR government decided to introduce two additional directly elected seats to the legislature in the 2013 elections, Macao has been characterized by political underdevelopment, economic dependency on casino capitalism, and constrained civil society growth.

The dependent casino capitalism and its impact on politics and society

Macao's dependence on casinos has been obvious since 2002, when the casino franchises were internationalized so that foreign direct investment from Australia, America and Hong Kong would prompt the modernization of the local operators. Although the foreign investors have not participated in local politics and elections, the local Macao casino interest groups have actively participated in the Legislative Assembly's elections since 2005. The Macao casino sector needs to select its representatives into the legislature, articulating its collective and individual operator's interests.

Socially, the dependent casino economy has tremendous implications for social equity, mobility and wealth. The affluent middle class in Macao has stemmed from the flourishing casino industry, which remains beneficial to all its employees, like croupiers and managers, and which has stimulated the rapid growth of other tertiary sectors, including hotel, retail and catering industries. However, the social and economic benefits have influenced mostly the tens of thousands of casino-industry employees, but have not trickled down to the entire working-class, who are confronted daily with the rapid import of foreign and mainland labourers. The gap between rich and poor has widened since 2002 as a result. Although social mobility can be seen among the young and the embryonic middle-class citizens who have been climbing up the social ladder through the casino sector, many other citizens find it difficult to sustain the increasingly high cost of living in Macao. Although the Macao government has relied on the annual distribution of cash subsidies to citizens as a form of safety valve to pre-empt the discontent of the have-nots, the question is whether such 'candies' have to be distributed to citizens annually as a constitutional convention, or as a *de facto* policy, so as to generate a feeling of calmness and satisfaction among the Macao populace. In other words, Macao's casino capitalism has generated aspects of development, notably employment and a general increase in living standards, but it has also triggered the contradictory tendencies of perpetuating social inequity, a wealth gap and the gulf between the social classes.

Political dependence and patronage perpetuation

While the Macao economy is one-sidedly dependent on casino capitalism, its political elites have to maintain the patronage system in order to maintain stability and legitimacy. This patronage system has been arguably exacerbated by the economic dependence on casino capitalism. Since casino

capitalists have played a crucial role in sustaining Macao's economic growth, they need to secure the cooperation of other capitalists, notably land developers and big business people, so that land development can facilitate casino prosperity. At the same time, the Macao elites have understood the importance of forging an alliance with these powerful capitalists. As a result, the capitalist class can influence the policies of the Macao government through formal and informal channels. Formally, they have been appointed to the top policy-making body, the Executive Council. Informally, they can easily influence the government's policies toward property development, casino growth, transportation, infrastructure projects, the import of labour, and taxation. The phrase 'hegemony of the land developers', which has been used by the leftwing critics of the Hong Kong government since 1 July 1997, can arguably be seen in the MSAR. Macao has perhaps not yet been completely captured by the land developers, but it remains a capitalist city-state where big business, casino operators and land developers are politically influential.

Traditionally, the Macao political system has been characterized by patronage, and it remains the hallmark of politics in the MSAR, where the pro-establishment, pro-Beijing and anti-democracy interest groups are proliferating. Some local commentators have stressed that Macao is like a society made up of interest groups. This statement has to be read carefully, however. Many of these interest groups have overlapping leaders, executive committee members and ordinary members. Most importantly, many of these interest groups have acquired financial support from the Macao government. Their activities, such as social gatherings and dinners, are often not political in nature, but these interest groups can easily mobilize their members in support of electoral forces during election campaigns.

The interplay among Macao's society, politics and economy

In Macao under the Portuguese rule, the society was "minimally integrated" into the polity, to use the term of sociologist Lau Siu-kai who studied Hong Kong under the British rule. The Portuguese governed Macao with Governors and expatriates, and used the local Macanese as the middlemen between the rulers and the ruled. The outcome was a huge communication gap between the Macao society and polity. This phenomenon has changed gradually since democratization of Macao's legislative elections in the mid-1970s, when the Portuguese revolution promoted some positive political development in Macao. Still, the Macao society was relatively 'alienated' from the polity, although the Chinese community leaders played a crucial role in bridging the communication gap between the Chinese citizens and the Portuguese rulers.

This relatively 'alienated' society of Macao has been contained since the handover of the territory to the PRC in December 1999 by two major measures taken by the new Chinese ruling elites. First and foremost, economics in command has remained the ruling principle of the governing elites, who have relied on casino capitalism to contain any possible social discontent. However, as argued before, casino capitalism does have its negative impacts on the society. Second, the patronage system inherited from the Portuguese rulers has contained the possible 'anger' in the society, especially among the proletariat who is split into pro-establishment and pro-democracy fragments. The pro-establishment working class is backed by the pro-Beijing forces and it enjoys the benefits of receiving governmental subsidies. The pro-democracy proletariat allies with the middle-class liberal democrats, but they are relatively outnumbered and politically

insignificant in street protests and electoral participation. Hence, the society of the MSAR has been largely 'integrated' into the polity since its return to the Chinese administration.

The society of Macao is basically compressed to such an extent that civil society groups independent of the government barely exist. Even when they emerge, these civil society groups have to express their views through unconventional media outlets, notably the Internet and blogs, which perhaps reach the young audience, but in terms of political influence are very limited.

Yet, the socio-political picture is not so pessimistic as conventional wisdom may assume. The younger generation of leaders in the pro-establishment forces is more educated and perhaps more open-minded than their predecessors. However, it is possible that the injection of young blood, together with their new ideas, may eventually bring about the fragmentation of pro-establishment interest groups. Although patronage politics is common and serious in Macao, generational change may lead to more lively internal political discourse and debates within the pro-establishment camp.

Conclusion

Overall, Macao's dependence on casino capitalism and its accompanied integration of the society into the polity do not bode well for political development in the short run. Casino capitalism has provided more employment for ordinary people, but it has an inherently class nature that benefits the conservative segment of the middle class and enriches the already influential capitalist class, including the land developers, casino operators, and other big business people. Casino capitalism has also sustained the income gap between rich and poor, a phenomenon mitigated by the government's interventionist policy of providing annual subsidies to all the people of Macao. Indeed, the Macao government has taken more social measures, such as improvement of social welfare and acceleration in the building of housing units, so as to contain any possible societal discontent. Still, the compressed nature of the society with minimal political space for the increasing aspirations of the middle-class liberal democrats and the relatively alienated proletariat means that political discontent is only contained, but not tackled at the root causes. Compounding the problem of simmering political discontent is the perpetuation of the patronage system in Macao's politics. The pro-establishment elites remain politically influential. So long as Macao enjoys the fruits of casino capitalism, socio-political stability is maintained at the cost of political underdevelopment. Accountability of the Macao government remains limited as long as the middle-class liberal democrats and the disgruntled proletariat are politically marginalized with voices largely excluded in the policy-making processes. Sadly, under the circumstances of dependent casino capitalism and partially integrated socio-political system, the status quo appears to be the 'best' mode of political development. If economic fluctuations suddenly take place in Macao due to regional or global economic crisis, the socio-political impacts on Macao would perhaps be totally unanticipated. In order to pre-empt any possible socio-political crisis resulting from a sudden economic downturn, the Macao ruling elites may have to ponder a more proactive strategy of economic and political development, including how to minimize their dependence on casino capitalism, how to tilt the imbalance of patronage to embrace the politically deprived middle-class liberal democrats and local proletariat, and how to strike a fine balance between dependent casino capitalism and more social welfare for the people of Macao.

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Below: Political activism in Macau's Leal Senado square.

