

# **From Democratic Theory to Democratic Governance Theory: Implications to the Political Development of the Macao SAR**

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## **I. 1. Democracy, democratization and its “third wave”**

The scope of definitions for “democracy” has seen continuous expansion in contemporary discussions. The word is used to refer to political situations or phenomena with features of equality and freedom with traditional terms such as democratic society, democratic political process, democratic style of governance, democratic sessions, administration and monitoring, democratic consultation and democratic rights. Moreover, it has also been applied to realms beyond political science, creating such hybrid concepts as economic democracy, social democracy, art democracy and academic democracy. Given that the notion of “people being masters of their own affairs” has taken root as the essence of democratic political process, as a universal value of human societies and a fundamental principle of modern civilized nations, the statement “democracy is a good thing” seems to have become a self-evident truth or common sense.

Democracy as the political system of a state has risen in relation to the concept of dictatorship. In historical context, democracy has meant different things in different historical periods. It only became a popular political right in the recent past. The ancient concept of democracy only began to be truly institutionalized in a few Western countries in the last two centuries. Although its origin can be traced back to Athenian democracy in the era of ancient Greek city-states, democracy as a concept of political science is relatively modern and has geographical boundaries and implications. Against this historical background, democracy can be seen as one of several important phenomena in the development of modern Western political institutions. It therefore has neither a natural legitimacy because of its ancient legacy, nor a self-evident, one-size-fit-all universality. With this understanding, we could be helped in maintaining necessary prudence and clear vision in examining the relationship between Macao’s political system and democratic governance.

To trace history of democracy, one may wish to start with the theory of “three waves of democratization” proposed by the well-known American scholar Samuel P. Huntington. His 1991 book *The Third Wave - Democratization in the Late 20th Century* defined a global trend of democratization in highly symbolic waves.<sup>1</sup> He started with the first wave that brought democracy to the United Kingdom, the Western Europe and the North America and examined the three waves of democratisation in the world (mostly the Western world) since the 17<sup>th</sup> century.

In Huntington’s view, the “first wave” of democracy took the longest to complete and had taken the most difficult and tortuous path. Take the United Kingdom for example. Although

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England began to establish the rule of law as early as in the 17<sup>th</sup> century<sup>2</sup>, establishing a tradition that placed the king under law (being held accountable to the parliament), the civil society did not fully evolve with independent institutions in political and economic realms until the late 18th century. Suffrage as an indication of democratization only began in the 1830s which did not become universal until 1918 following successive parliamentary acts. As for the system of holding the government accountable to the House of Commons, it came about only after repeated conflicts with the House of Lords in the early 20<sup>th</sup> century. In the United States where democratization was somewhat faster, universal franchise as a hallmark of democracy was not confirmed and implemented until after the passing of Voting Rights Act in 1965.

Huntington's analysis of the "second wave" of democratization is also quite profound. His examination of democratization process in Germany in the early 20<sup>th</sup> century and its lessons can be very thought-provoking. Following the First World War, this nation-state became a modern sovereign state, but it stumbled along the path of democratization. The universal suffrage introduced in 1919 was nullified after the Nazi regime came into power. The Nazi "de-democratization" ended after the end of the Second World War. Democratization process in post-war Germany was essentially one to eradicate all Nazi legacies, instilling a system to prevent a repeat failure of democracy. Nations which went through the similar "second wave" of democratization include Greece, Italy, Austria and other European countries. Like Germany, they only succeeded with a second try, after initially adopting a system of free elections which ended in failure. Their democratization appears to meet the minimalist model proposed by Joseph Alois Schumpeter, i.e. democracy as a process by which the electorate can get rid of "knaves" in the government.<sup>3</sup> This "assumption of knavery" was also the basis of David Hume's political thinking that in contriving a democratic system every man ought to be presumed as a "knave".<sup>4</sup> This however could not prevent corruption within the government, which meant that the "elitist" model of democracy advocated by Schumpeter could not make democracy work.

Huntington confined his observation of the "third wave" of democratization to the period from the late 1970s to the early 1980s. Southern European countries such as Portugal, Spain and Greece went through the process in the 1970s while a large number of countries in Latin America did so in the 1980s. He believes that one of the characteristics of this wave is that a considerable number of countries or regions began to adopt free elections before other fundamental systems of modern state were institutionalized. This led to a lack of stable social foundation and necessary institutional support for democratic political processes, rendering them generally ineffective. This prompted some soul-searching concerning the sequence of democratization, i.e. if the establishment of fundamental systems of the modern state should precede introduction of free elections or vice versa.<sup>5</sup> This also touched upon another issue of modern political science, i.e. the relationships between democracy and the structure of modern state and its basis of legitimacy. Francis Fukuyama, a scholar of modern political institutions, believes that democracy is the only source of legitimate authority in the modern world<sup>6</sup>, though in the past states may have derived their legitimacy from other sources, thus linking democracy and the modern state more closely.

Modern Western democracies have developed a host of universally accepted theories and political tenets, including parliamentary system in place of monarchy, election in place of hereditary system, decentralization in place of centralization, multiparty system in place of one-party system, a system of checks and balances in place of dictatorship, and so on<sup>7</sup>, laying out the theoretical framework and processes for Western democracy.

## **II. Key elements of modern Western concept of democracy**

The ancient term of “democracy”, as one of the key concepts in political science, has been subject to conflicting interpretations leading to confusion and vagueness. Overall, there are three schools of thought.<sup>8</sup> It is necessary to first clarify the key elements of democratic concept, in the context of discussions on the inherent relationship of the “executive-led” political system and the “democratic governance” prescribed for Macao.

In his comparative studies of patterns of democracy, the American political scientist Arend Lijphart refers to a Westminster model based on the British parliamentary system, which has long been thought by most people as the best example of democracy.<sup>9</sup>

Westminster model is also called “majoritarian democracy”, i.e. a government elected by a simple majority (say 51% or more) of the voters governs according to their will and interest. The features of this model is a two-party system, election decided by a simple majority and a parliamentary cabinet system, whereby leader of the majority party in the parliament becomes the Prime Minister and forms the Cabinet. In such a system, executive and legislative powers are vested in the ruling party while the opposition parties have no such powers and act as critics and watchdogs. However, given its exclusion of the minority in accordance with the principle of “competition and opposition”, the majoritarian system is not only becoming increasingly less effective but also causing the merging democratic societies where such model is adopted to be trapped in conflicts and prolonged chaos. The “Third Wave” of democratization has been hampered and bogged down by the failure of such majoritarian democracy.<sup>10</sup>

Another type of democracy is of the consensus model, which maximizes the opportunity to participate in government decision-making and builds democratic consensus on government policies. Representative of this model are Switzerland and Belgium with features including multi-party system, proportional representation elections, federalism, and a bicameral system with power equilibrium. Its key feature is the multi-party coalition government, with power sharing at the cabinet level for executive decision-making at the top. Cabinet members include representatives from parties that form the coalition government, with some parties opting out of the cabinet. These parties still support the government as long as they are consulted in its decision-making, so that they retain certain influences over the process. In such consensus democracy, there is no single party or political force has sufficient power to control the parliament. Therefore the existence and functioning of the government is dependent on cooperation of multiple parties or political forces through negotiations and consultations, which are aimed to build common ground and reserve differences in the sharing of political power (in particular, the top-level executive decision-making power).<sup>11</sup> The American-style democracy is an example of mixture of the two models.

The consensus model allows the pursuit and achievement of democratic consensus in accordance with the principle of power-sharing and consultative cooperation. It is a democratic system that creates consensus by taking into account as broad a range of opinions as possible. Democracy based on such model is not only more stable and solid, but also more effective and of better quality than that based on the Westminster model. It is what Lijphart calls a “Kinder, Gentler” Democracy. In his view, the hope for political democratization around the world in the 21<sup>st</sup> century lies in the shift from Westminster model to consensus democracy, which will lead to the beginning of the “fourth wave” of global democratization.<sup>12</sup>

In reviewing commonality of Western democracies, we may see the following:

(1) Democratic spirit hinges entirely on convergence of people's free will and sense of responsibility. Given the principle of majority rule while respecting individual and minority rights, a democratic government is required to do its utmost to protect the fundamental rights of individuals and minorities while respecting the will of the majority. The exercise of all democratic rights by the people reflects the institutionalization of their free will. Governments, in accordance with principles of rule of law, must provide equal and transparent legal protection of people's free will and accord effective due process when judicial relief is in order. At the same time, people should also be obligated to participate in democratic political process as part of their civil responsibilities matching their rights. Citizens are not bystanders but participants in democratic political processes, regardless if their participation is direct and positive, or indirect and negative.

(2) Democratic systems, without exception, attach importance to the unity of democratic institutions and public opinion. A democratic system provides for supremacy of people's power beyond legislature and the government. Government exercises its power through representatives directly elected by all citizens or through parliamentary elections, whereby citizens also fulfill their civil responsibility. Government may take different political forms (such differences can also mean gaps in quality), and governments elected through various processes are different from other forms of government in principles and modes of operation. Under a democratic system, free and fair elections with participation by all citizens are held regularly, which are truly competitive processes for electoral support, rather than a cosmetic exercise by regimes of dictatorship or one-party system. It is possible for a government thus formed to truly reflect public opinion.

(3) Democratic states, without exception, attach importance to the balance of power in dynamic relations between government powers and civil rights. Under democratic government, there is appropriate decentralization and local governments are open and responsive to the people and their demands to the greatest possible extent vs. centralized dictatorship and authoritarian rule. In safeguarding civil rights, democratic governments respect the people, who have empowered them, and protect their basic human rights including freedom of speech and religious belief, equality before the law, free association and full participation in political, economic and cultural activities in the society, through systematic and institutionalized mechanisms. Democratic politics are therefore necessarily demonstrated through a series of principles and behavior that respect and protect people's free will.

In summary, the two theoretical and practical models of democracy which originated in Western Europe have two features: a) governments are made up of representatives elected by the people (i.e. government by the people); b) government actions are based on the interests and will of the people (i.e. government for the people).

From a theoretical perspective, the Western political concept of "democracy" has received fairly wide recognition or acceptance around the world. The reason for this is its direct or indirect embodiment of wide ranging features of modern politics. American scholar Robert Alan Dahl offers a more sophisticated theoretical discussion, stating that "democracy" has these characteristics and advantages: prevention of despotic rule, guarantee of basic rights, universal freedom, control of agenda, moral independence, cultivation of humanity, protection of basic personal interests, political equality, and pursuit of peace and prosperity.<sup>13</sup> Although these features and advantages may not necessarily be all present in a specific democratic political system, they indeed form the common framework of reference in all countries that practice democratic political systems.

In the context of this paper's discussion on the development of democratic politics in special

administrative region (SAR), consensus model and pursuit of “consensus democracy” offers a great source of inspiration. As consensus building requires communication, dialogue, negotiation, mutual understanding and accommodation between the government and citizenry, “consensus democracy” is based on what Jürgen Habermas calls Discourse Ethics and is also described as “deliberative democracy”.<sup>14</sup>

Democratic governance through “consensus democracy” and democratic politics requires, as a matter of course, the regulation, constraints and safeguard of the democratic system. Such democratic political system in practice is also dependent on a matching value system which encompasses tolerance of competing aspirations, cooperation and compromise. Without the entrenchment of such values, it is difficult to imagine achieving “consensus” given diverse and conflicting aspirations.

In short, although democratic states differ in the democratic models and approaches that they adopt, reflecting unique characteristics of their respective political, social and cultural conditions, they share a series of clear commonalities in democratic spirit, institutions and administration. Despite outward differences, they share common intrinsic principles. The differences are the result of theoretical diversity, while commonality arises from shared values.

### **III. “Democracy” in contemporary Chinese mainstream ideology**

Modern Western democratic thought has had profound and far-reaching impact on the Chinese academic community. Most of writings in political science derive inspirations from either this or that school of Western political thought. Insightful critiques revealing inherent limitations of Western theories are few and far in between, while most commentaries are preoccupied with minor details.<sup>15</sup> On the one hand, this bears witness to the conviction of Chinese political scientists that “democratization means political modernization”. On the other hand, it is also revealing of differences and the gap between Chinese and Western democratic conditions.

After reform and opening up began in China, modern Western concept and doctrine of “democracy” is no longer regarded as menacing. In fact, there has been a profusion of interpretation and introduction of Western democratic theories. However, the inappropriate and over-zealous pursuit of universal democratic values in political restructuring during the 1980s in China led to political turbulences at a time the Cold War was winding down. Various “pro-democracy movements” and the “political turmoil of 1989” in China brought Western style “democratization” into state of predicament and impasse.

Theoretical restrictions regarding “democracy” gradually unraveled, thanks to Deng Xiaoping’s remarks on continued “emancipation of the mind” during his tour in southern China in 1992. The goal of “governing the state in accordance with law and building a socialist state under the rule of law” was officially proposed at the 15<sup>th</sup> National Congress of the Communist Party of China (CPC) in 1997. It gave further legitimacy to the notions of “political democracy” and “democratic governance” which are inherent in the rule of law.

In official parlance, “democracy being a good thing” is no longer a disputed notion. The only contention is focused on scope of and approach for democracy. The Premier of the State Council of the People’s Republic of China (PRC), Wen Jiabao commented at the first plenum of the 11<sup>th</sup> NPC on 5<sup>th</sup> March 2008 that “democracy is a good thing” and government should protect people’s rights

to be informed about, participate in, express views on, and oversee government affairs. The government should expand socialist democracy, improve democratic system, expand democratic forms and channels, and conduct democratic election, decision-making, administration and oversight in accordance with the law.<sup>16</sup> Wen Jiabao's comments on democratic political process forms a theoretical basis for our discussion on enhancing democratic elements in executive-led administration.

There has also been a rare consensus in China achieved gradually between the government and people on a number of "democracy" related issues. To a certain extent, such consensus can be seen as shared "faith in democracy". In form, it is generally considered that at the very minimum, democracy should accommodate equally and openly different aspirations and interests of the people. As one academic commented, "there bound to be problems in the process of a society's development which can exist in different regions. Expression of opinions, viewpoints and aspirations in discussions of various issues should be a normal phenomenon in the development of modern social democracy."<sup>17</sup> The institutionalization of processes for such discourse aimed for consensus and coordination is precisely what modern Western democracies have achieved.

In the context of democratic politics and its impact on society, democracy is both an end and means, both a tradition of civilization and evolving social system, both the essence of a civilized society and criteria for its validation; both an inspiring goal and behavior norm. The institutionalization of democracy, such as "democratic politics and governance", is an integral part of, and a necessary path to, political modernization.

## IV. The origin and development of "governance" concept

### 4.1 Origin of "governance" concept

In modern Chinese, the word "governance" implies macro decision-making, more than implementation related "management".

In interpretation of Western democratic theories, the English word "governance" is often translated as "*Zhili*" ("to rule and put thing in order"), and sometimes as "*Guanzhi*" ("to control and rule"). The theory of "governance" emerged in the 1970s. Initially it chiefly referred to reformed political processes which are different from traditional governmental processes and decision-making.<sup>18</sup> In 1989, the World Bank first used the phrase "crisis of governance" to discuss African development issues. The use of "governance" thence gradually expanded from the realm of economics to political science. It was then widely used to describe the political situation in post-colonial, developing countries and became one of the key words in political science.

Today, because of its dynamic and practical implications, the term "governance" has been used in other related disciplines and sometimes as part of new composite terms, such as "governability", "meta-governance", "good governance" and "cosmopolitan governance" which have become common jargons in academic discussions in China. "Governance" has evidently taken on expanding and diverse meanings. It is worth noting that "good governance" was originally a guiding principle in the World Bank policy for loans to the Third World countries. Its definitions and indicators are to a large extent based on the ideology of neo-liberalism. There is a tendency for the term to be used alongside grandiose terms such as "human rights" and "democracy", often as tools for criticizing developing countries and interfering in their internal affairs. In the current

context of promoting rule of law, the term should refer to good governance based on positive interactions between law and society, government and citizenry.<sup>19</sup>

With expanded usage, the term "governance" has wider connotations than primarily "management". A growing number of systematic frameworks of "governance" contain components of "governance authority" (including source, mandate and distribution of power), "governance system" (including principal entities exercising governance, their powers and mutual relations), and "governance notions" (including governance models, effectiveness and accountability). Further, the term has also been applied to democratic processes and public life, covering areas such as "state governance", "social governance", "governance of public space", "regional governance", "urban governance", and "corporate governance". Apparently, this term is more versatile than traditional terms in reflecting the complexity and challenges of contemporary political issues, more responsive to changing reality, diverse conditions and increasing difficulty of governance.

#### **4.2 State governance: scope and capacity**

From the perspective of modern political science, "state governance" involves at least two dimensions: a) the breadth of state (government) activities, namely the scope of governance; b) strength of state power, namely the intensity of governance. American scholar Francis Fukuyama provided a rather enlightening analysis in this regard.

Fukuyama predicted at the end of the Cold War that worldwide spread of liberal democracies and capitalism would signal the "end of history".<sup>20</sup> However, local conflicts and wars which had since occurred in Haiti, Somalia, the Balkans and the Middle East, and a series of disasters which were brought about by international terrorism including the "9.11" terrorist attacks on the United States, shattered his optimistic prophecy and presented new strategic challenges to contemporary international order and state governance. Around the end of war and start of post-war reconstruction in Iraq, he published a reflective and provocative new book *State-Building: Governance and World Order in the 21<sup>st</sup> Century*, offering a rethinking on his "end of history" prediction and his interpretation of, and response to, the new challenges.

Fukuyama started with an analytical framework to explore multiple dimensions of "stateness" for an understanding of the multi-dimensional concept of "State", which includes functions of government, governance capacity and basis of government legitimacy.

Reflecting on mainstream views of contemporary Western political thinkers, Fukuyama reminds us that the current knowledge about the state and nation-building is lacking in several crucial areas. In particular, it is crucial to draw a sharp line between the scope and strength of a state. This is definitely instructive to our discussion of "democratic governance".

The scope of state activities is mainly defined by the various functions assumed by state government and objectives pursued, collectively as the state functions. According to Fukuyama, key functions of a modern state are divided into three categories: a) minimal (supply of public goods, national defense, rule of law and public order, property rights enforcement, macroeconomic stabilization, public health, enhancement of social equity and protection of the poor); b) intermediate (dealing with externalities, public education, environmental protection, anti-trust, vocational education); c) advanced (more proactive functions such as industrial policy and redistribution of wealth).

State strength is defined as the ability to carry out state policies, enforce rules, govern the state effectively, restrict malfeasance, corruption and bribery, and maintain transparency and integrity.

Fukuyama analyzed the four aspects of the concept of “state” from the angle of institutional economics and organizational theory. They are a) organizational design and management, b) political system design, c) basis of legitimization, and d) cultural and structural factors. He also focused on the inevitability of problems under “principal-agent” arrangement. As organizational goals are not always well-defined, the motivation of the agent is not always aligned with principal’s interests, and there can be problems with the extent of delegation and delegated discretion, therefore, there is no optimal forms of organization or optimal theories of public administration.<sup>21</sup> This is the root cause for the weakening of state strength.

From an international perspective, the weakening of states can lead to international instability, undermine national sovereignty in international order, and has caused contention on democratic legitimacy in the international context between the United States, Europe and other developed countries. Given weakening of states has been the root cause of many of world’s problems today (poverty, AIDS, drugs and terrorism), a threat to international security, and principal cause for humanitarian and human rights disasters, the international community may very well need to intervene and strengthen state-building in the problematic regions. Thus, the most important issue in international politics should be state-building rather than de-emphasizing the concept of state.

Fukuyama’s analysis provided a direction for our study of “national governance”. In the past, there was a tendency to focus only on the scope of state functions and executive powers, i.e. an overemphasis on the scope of governance or a simplistic discussion of view of government functions. This confined our view of state governance to institutional structures, neglecting operational effectiveness of governance. Now we should also focus on state capacity. It may seem abstract and difficult to define and evaluate. However, various systems of indicators are available today, such as *Corruption Perceptions Index* issued by Transparency International, national risks guide by private organizations, *Worldwide Governance Indicators* by the World Bank, and other quantitative indicators of political rights in broader context (such as the Freedom House – *Freedom in the World* report on political rights and civil liberties).<sup>22</sup> They provide a data framework for evaluating quality and strength of states.

## V. Implications for democratic governance in the SAR

### 5.1 Conducive to integrating existing theories of political system and democratic governance

The two concepts of contemporary political science – *democracy* and *governance* – that have been discussed in the preceding sections of this paper need certain integration in the context of SAR political system against the background of nation-building under the “One Country, Two Systems” policy.

The “One Country, Two Systems” policy can be seen as a nation-building initiative and the SAR Basic Law a major innovation in China’s legal development. The international, domestic and regional challenges for such innovation have to be dealt with as they arise, without the benefit of prior experience. In such trail-blazing practice, only “governance” is a term inclusive enough to integrate and transcend single-dimensional terms of “management” and “rule”, and put implementation of the *Basic Law of the Macao Special Administrative Region of the People’s Republic of China* (hereinafter as “the Macao Basic Law”) in a broader and complex context

allowing discussion of rule of law both in and beyond legal terms.<sup>23</sup>

Fukuyama's observation chiefly focused on capitalist states, but there is overlapping in political structure between the state and its local region(s). Therefore, the governance theory in his discussion on state-building can be used as reference for Hong Kong and Macao which are local regions practicing capitalist system under the "One Country, Two Systems" policy. Thus, governance of Macao can also be analyzed at two levels: a) scope of the SAR government activities; b) effectiveness of governance, i.e. strength of the SAR government powers.

By examining the development of SAR political system from a governance perspective, we can regard implementation of the Macao Basic Law as the beginning of a transition in Macao governance. This law laid constitutional foundation for the SAR governance. Moreover, it is a powerful tool for the central authorities in Macao governance, and the basis for a high degree of autonomy exercised by the SAR government. For this reason, the governance of the Macao SAR is by nature a matter of practicing the "One Country, Two Systems" policy and implementing the *Basic Law of the Macao Special Administrative Region of the People's Republic of China* (hereinafter as "the Macao Basic Law").

By examining the development of the SAR political system from a democratic perspective, we can see clearly that the elevation from simply regional governance to "good governance" as mandated by the Macao Basic Law will be dependent on promotion of democratic spirit and evolution of democratic institutions.

The notion of "democracy being a good thing" is beyond dispute. However, from the perspective of governance, the objectives of democracy, after all, are to create conditions for safeguarding public order and collective actions, i.e. achieving enhanced administrative efficiency and stability of public order at the same time. It is precisely in this area the seeming paradox between "democracy" and "governance" lies: "undemocratic governance" being generally thought as more efficient and conducive to stable public order, while "democratic governance" as liable to making simple matters complicated, increasing costs of political processes, reducing administrative efficiency, making it possible for public demonstrations and assemblies leading to instability and loss of control.<sup>24</sup> Such paradoxical conditions could appear in the SAR democratic governance, which are worthy of attention and more in-depth study.

To eliminate the seeming contradiction between "democracy" and "governance" and achieve "good governance", a system of standard and sound mechanisms for regional governance and enhanced local governance capacity would be the critical.

The quality of governance mechanisms impacts on democratic processes (form) and effectiveness (quality). In evaluating processes, we need to first examine structural arrangement of the political system and assess if it is conducive to realization of democratic spirit, so as to determine its level of "democratization". This should be an area of focus in our discussion of relationship between the executive-led administration and democratic governance in the SAR, referencing Fukuyama's notion of "state scope". In evaluating effectiveness, we need to consider the practical effectiveness of the political system to understand its level of "democratization". We need examine a series of institutional relationships under the executive-led system, including those between the executive and other powers (mainly legislative, judicial, supervisory powers), and those between executive power and social rights (such as those of civil society, communities and political organizations and parties, etc.).

Proceeding from this theoretical premise, we may analyze the development and functioning of

“democracy” and “governance” in the SAR political system (marked by executive-led features), and observe with greater insight and clarity fundamental issues concerning the democratization of, and positive interaction between, internal structure and externalities of the SAR political system.

## **5.2 Conducive to the development of a new form of political democracy on the basis of the pre-existing system**

Reflecting upon development of the Macao SAR over the past decade and more, we can all see these obvious basic facts: a) all-round improvement in public order; b) rapid development of region’s economy. They bear witness to the vitality of executive-led system mandated by the Macao Basic Law, and reflect the enthusiasm, initiative and creativity of Macao in implementing the mandate of “Macao people ruling Macao” and a high degree of autonomy. The miraculous success achieved by the Macao SAR in the 21<sup>st</sup> century has given this tiny region worldwide recognition and won universal praise.

The development of the Macao SAR has shown that social stability and economic development are dependent on continuous evolution of political democracy and vice versa. They form an interdependent and mutually reinforcing relationship and a virtuous cycle. The foundations for political systems can vary for different locales. For Macao, its executive-led system is based on the unique “One Country, Two Systems” foundation. As one scholar asserted, the social progress of Macao SAR is dependent on comprehensive implementation of the “One Country, Two Systems” principle and appropriate assurance of sound relations between the central authorities and the SAR. They are closely linked with correct practice of the executive-led system with the Chief Executive at its core.<sup>25</sup> The capacity of the executive-led system in promoting region-building and its comprehensive achievement in social stability, economic development and improvement of residents’ livelihood have received strong commendation from the central authorities.

Rational interaction between the government and citizenry in Macao has been largely achieved, which bears witness to the development of political democracy in the SAR. On the one hand, the SAR government has steadily enhanced its capacity for governance in accordance with law, and enhanced public commitment to government vision, turning it into universally recognized objectives for Macao society in coordinated actions. On the other hand, most SAR residents have also over time enhanced their civic awareness and quality, with a heightened sense of political participation and improved skills in democratic supervision. They have become vigorous supporters and advocates for the development of democracy in the SAR. Given theoretical significance of such interaction, the academic community has concluded that the executive-led system is a form of political democracy in conformity with the “One Country, Two Systems” concept and in keeping with the reality of the SAR development.<sup>26</sup> Such interaction in practice has also created extremely favorable conditions for further social, economic and cultural development in the SAR.

In view of the above, we should adhere to the executive-led system in future development of political democracy in the SAR. This is not only a requisite for the political system mandated by the Macao Basic Law, but also the foundation for continued enhancement of social stability, economic development and people’s livelihood. As Ieong Wan Chong stated in his discussion of the democratization of electoral system in the SAR, it could be expected that through adherence to and improvement of the executive-led system, the Macao SAR would become an advanced modern society with “a higher degree of equity, democracy, harmony and progressiveness within the shortest possible period.”<sup>27</sup>

### **5.3 Conducive to prevention of power abuse through democratic governance**

The process of adhering to and improving the executive-led system will necessarily be executive-led. Given that executive power has always been relatively proactive, measures of rational supervision and adequate containment would be necessary, so that executive power can be exercised within confines of law.

Political democracy, as both a theory and political system, has always been nemesis of authoritarian rule which can be dictatorial or change to total dictatorship. The executive-led system is a form of governance with the Chief Executive at the center of political power, which is not entirely immune to degeneration into authoritarian rule of totalitarian nature, if the system of balances and control of powers were to be at fault. Such a risk is unlike that for Hong Kong. The recent predicament in the Hong Kong SAR was the result of relatively weakening of executive powers. What the Macao SAR needs to be on guard against, and have remedies to correct, is the absolute concentration of power, a potential risk that is not entirely implausible.

Among political thinkers pondering on monitoring and constraints of power, Montesquieu advocated a theory to restrict power with power, which aimed to enhance democracy and prevent autocracy through full exercise of civil rights. His basic concept led to the rise of specific and systematic theories in political science, and the core value of his beliefs has continued to gain affirmation in worldwide wave of democratization. In the political practice of countries around the world today, the importance of political democracy to social development has been universally recognized. The value and objectives of democratic governance have also long been accepted by all nations in the process of political democratization.

What we see in Macao politics so far is relative harmony between the executive-led government and democratic participation, though not entirely without some internal tension or conflicts. Such tension and conflicts arise from dynamics of emphases: either on the executive-led system while inevitably hampering political democracy, or on political democracy while explicitly or implicitly hampering the executive-led system. Such tension or conflict, if not promptly mitigated, will inevitably drain limited political resources and ultimately be detrimental to the interests of entire society under governance.

For future development of political democracy in the Macao SAR, whether and how public participation will be enhanced and its scope be expanded are matters of particular importance and urgency. As social structure and sector interests become more diverse, instilling and improving mechanisms for conflicts resolution will to a great extent be a test for the SAR government's governance capacity. For this reason, enhancing democratic process in governance, so that the executive-led administration can operate in a healthy and orderly fashion, will be of very real political significance.

In short, adherence to and improvement of the executive-led system will be fundamentally important to the development of political democracy in Macao. Enhancing democratic processes will elevate the quality of governance. Such enhancement includes promoting the democratic notion of participatory politics and expanding channels for such participation, so as to prevent degeneration of executive-led system into authoritarian rule that excludes or deters democratic participation.

### **5.4 Conducive to rule of law in the SAR through enhanced democratic processes**

Enhancing democratic processes is a requisite for democratic governance, which will be

conducive to legal development and rule of law in a given country or region. Although development of legal system does not necessarily bring about political democracy, development of political democracy can be a cornerstone for developing a state's legal system and the foundation for rule of law. This reasoning applies to the future development of the Macao SAR.

Over the prolonged period when Macao was under Portuguese colonial rule, Portuguese legal system was comprehensively applied in Macao leading to the creation of a colonial legal culture dependent on the continental law system. However, this foreign legal system did not give residents, the native Chinese residents in Macao in particular, more benefits, chiefly because of a lack of mechanism for democratic participation in its legislative and judicial processes. Without democratic participation, legal system construction will not result in a society truly under rule of law. This has been proven in the development of legal systems in countries around the world, and affirmed, not without regret, during the era of Portuguese colonial rule in Macao.

Following successful conclusion of negotiations by Chinese and Portuguese governments for resolving Macao problem, advancement of political democratization and localization of laws became a political obligation of Portuguese administration in Macao. However, it did not start localization of laws until the eve of handover, which was done under political pressure and in great haste, with assistance from concerned parties, to form a localized system centered on five major laws. It should be noted that the completion of localization in form does not mean accomplishment of legal system construction in Macao or the establishment of rule of law, which would require public commitment to democracy and democratic participation by the entire society. This had however been lacking in the localization process prior to handover.

Given advancement of the SAR politics, laws adopted in localization process have shown signs of inadequacy, some of which have notably lagged behind changing realities. This has attracted considerable public and academic criticisms. Some scholars noted following in-depth investigation that the main problems with legal system construction in Macao were distortion of legal concepts, outdated legal elements, and lack of harmony in legal coordination.<sup>28</sup> Of course, as these complex problems are beyond the scope of legal localization, their resolution will depend on continued advancement of rule of law with enhanced democratic processes and public commitment to rule of law, in addition to mere technical measures.

In the process of political democratization in the SAR in recent years, there has been increasing public demand for legal reform, given existing laws to a certain extent are falling behind development needs of Macao society. Such public demand is a reflection of the exercise of democratic political rights by residents of the SAR. The legal development and reform will first and foremost be driven by the SAR government with a proactive top-down approach, to be complemented by bottom-up support by Macao public. In this process, the executive-led system is more capable than other political systems in mobilizing resources, but could also be prone to errors in decision-making resulting in consequences with unforeseeable costs. Only by encouraging democratic participation inspiring public enthusiasm, initiative and creativity, and basing legal reform on public support and participation, can the executive-led system avoid errors and going off track in such a process.

Thus, enhancing democratic governance will be a holistic measure not only to prevent the executive-led system from degenerating into authoritarian rule, but also boost legal system construction, laying a sound foundation for rule of law moving forward.

## **VI. Conclusion: continued coordination of the executive-led administration and democratic governance**

By academic logic, continued adherence to the executive-led system requires continued emphasis on the leading position of executive power. This determines the need for continued coordination of the executive-led system and the factors of democratic governance. The executive power stills needs coordinated relations with other powers. With sound coordination, the executive-led system in the SAR will not hamper but rather accelerate future development of political democracy in Macao. One of the key issues would be how to coordinate relations between the executive and other branches so as check the inherent potential of executive-led system in rejecting democracy. The coordinated relations could be achieved in actual practice by adopting and accepting supervision exerted by different external forces.

In reality, moving towards a democratic society and the rule of law is a common aspiration of countries around the world. According to contemporary notions of political democracy, there need be efforts to enhance both democratic governance and executive-led effectiveness, while maintaining harmony and unity of the two. Promotion and public education should precede any major undertaking of political transition to, and consolidation of, democratic system. The future development of the Macao SAR political institutions should be no exception. It should not deviate from the basic trends of modern democratic politics and constitutionalism.

It follows from our discussion so far that the present executive-led system in Macao is by no means "undemocratic" or "anti-democratic". In fact, the executive-led system mandated by the Macao Basic Law does not mean a rejection of the spirit of political democracy. The relations between the Chief Executive and the SAR administration under executive leadership on the one hand, and the legislative and judicial branches of the government on the other, are those of respective responsibilities, checks and balances, and cooperation, the last of which is given more emphasis. Such a political structure has its origin in modern Western democratic system and unique Macao characteristics. It is an outcome of national legislation following democratic consultations, embodying the spirit of democracy. Nevertheless, this does not mean Macao needs to do no more in enhancing democracy. Likewise, advocating democratic governance by the author of this paper is not meant as criticism of Macao's record of democratic politics, let alone a negation of the existing Chief Executive system. On the contrary, enhancing democratic processes will be important safeguard for adherence to and improvement of the executive-led system.

The reason for current discussions on promoting democratic governance is the requirement of the changing times as new situation mandating advancement of Macao's existing executive-led system, in keeping with the times. Needless to say, the Macao Basic Law embodying the principles of "One Country, Two Systems" and "Macao people ruling Macao" was after all conceived in the 1990s and based on unprecedented notions. The law-makers then could not have fully envisioned all the social changes after Macao's return. Therefore, in designing the executive-led form of local government they did not intend it to be a rigid, closed system resistant to any change.

In fact, on the process of selecting the Chief Executive and formation of Legislative Assembly, for example, the original legislation provides room for continuous development and future reform of the electoral system. Again, public discussions in recent years on democratic development and issues of "double universal elections" in Macao demonstrated that there is link between the executive-led system and democratic participation. Further, the coordination in separation of power,

checks and balances, and cooperation between the Chief Executive and the SAR administration under executive leadership on the one hand, and the Legislative Assembly and the judiciary on the other, are matters concerning a wide range of complex factors for democratic participation.

In conclusion, in the interest of continued adherence to and improvement of the executive-led system and of its more effective functioning, it is necessary to properly coordinate internal relations of the SAR administration under leadership of the Chief Executive, and relations and power structure between the executive authorities on the one hand and the legislature and judiciary on the other. Continued efforts to develop coordination between the executive-led system and requirements of democratic governance are worthy of particular attention.

## Notes:

- <sup>1</sup> Huntington, S. (1991). *The Third Wave: Democratization in the Late Twentieth Century*. Norman: University of Oklahoma Press.
- <sup>2</sup> Various academic opinions were given on timing of the start of “rule of law” in Britain. Most scholars on British legal history used emergence of the notion that “King ought to be under the law” as the start of rule of law. For Chinese studies on the topic, see Chen Handa (2001). *History of Law in Britain*. Jinan: Qilu Press; He Qinhua (Ed.) (1999). *A History of Legal Development in the United Kingdom*. Beijing: Law Press.
- <sup>3</sup> Schumpeter, J. A. (2006). *Capitalism, Socialism and Democracy*. London: Routledge.
- <sup>4</sup> For a discussion of David Hume’s “assumption of knavery” and notions of democracy, see He Baogang (2008). *Democratic Theories: Dilemmas and A Way Out*. Beijing: Law Press. 3-21.
- <sup>5</sup> Rose, R. and D. C. Shin (2011). Democratization Backwards: The Problem of Third-Wave Democracies. *British Journal of Political Science*. Volume 31, Number 2. 331-375.
- <sup>6</sup> Fukuyama, F. (2004). *State-Building: Governance and World Order in the 21<sup>st</sup> Century*. Ithaca: Cornell University Press.
- <sup>7</sup> Jeong Wan Chong (2008). Optimization of Electoral System and Acceleration of Political Democratization Process. In Jeong Wan Chong and Rao Geping (Eds.). *Correct Understanding and Implementation of the Macao Basic Law*. Macao: Associação de Divulgação da Lei Básica de Macau. 42-48.
- <sup>8</sup> Guo Qiuyong (2006). *Three Contemporary Democratic Theories*. Beijing: New Star Press.
- <sup>9</sup> Lijphart, A. (2012). *Patterns of Democracy: Government Forms and Performance in Thirty-six Countries*. New Haven: Yale University Press.
- <sup>10</sup> Li Peng (2010). Consensus Democracy and the Third Wave of Democratization in the 21<sup>st</sup> Century. *Social Sciences in Yunnan*. Volume 4.
- <sup>11</sup> Lijphart, A. (2012). *Patterns of Democracy: Government Forms and Performance in Thirty-six Countries*. New Haven: Yale University Press.
- <sup>12</sup> Li Peng (2010). Consensus Democracy and the Third Wave of Democratization in the 21<sup>st</sup> Century. *Social Sciences in Yunnan*. Volume 4.
- <sup>13</sup> Dahl, R. (1998). *A. On Democracy*. New Haven: Yale University Press.
- <sup>14</sup> Habermas, J. (1996). *Between Facts and Norms: Contributions to a Discourse Theory of Law and Democracy*. English version translated by W. Rehg. Cambridge: MIT Press.
- <sup>15</sup> Among writings by Chinese scholars on Western democratic theories, Wang Shaoguang’s critique of Western democracies is highly insightful and academically thorough. See Wang Shaoguang (2008). *Four Discourses on*

- Democracy. Beijing: SDX Joint Publishing Company; Wang Shaoguang (2010). *Disenchantment and Transcendence: Reflections on Democracy, Freedom, Equality and Civil Society*. Beijing: CITIC Press.
- <sup>16</sup> Conforming and Living Up to Expectations of the People – Celebrating the Conclusion of the First Plenum of the Eleventh National People’s Congress. *People’s Daily*. 5<sup>th</sup> March 2008.
- <sup>17</sup> Hao Zhidong (2008). “One Country, Two Systems” and Advancement of Democracy in Macao – A Discussion on Consultation for the Amendment to Three Election-related Laws by the Macao Government. In Ieong Wan Chong and Rao Geping (Eds.). *Correct Understanding and Implementation of the Macao Basic Law*. Macao: Associação de Divulgação da Lei Básica de Macau. 49-56.
- <sup>18</sup> For a systematic discussion of governance theories, see Wang Shizhong (2009). *Governance Theories and Their Applicability in China*. Hangzhou: Zhejiang University Press.
- <sup>19</sup> *Ibid.*, 23.
- <sup>20</sup> Fukuyama, F. (1993). *The End of History and the Last Man*. New York: Avon Books.
- <sup>21</sup> Fukuyama, F. (2004). *State-Building: Governance and World Order in the 21<sup>st</sup> Century*. Ithaca: Cornell University Press.
- <sup>22</sup> *Ibid.*
- <sup>23</sup> Zou Pingxue (2009). A Study of Issues of Governance Structure and Performance in Macao Special Administrative Region – From Perspectives of the Macao Basic Law and the Hong Kong Basic Law. In Liu Zhaoxing (Ed.). *Comparative Legal Studies in China – 2009 Edition*. Beijing: China Social Sciences Press. 145-146. It should be noted that Zou Pingxue adopted a Chinese translation of “governance” with connotation of “control and rule.”
- <sup>24</sup> Tang Yuquan (2010). On Democratic Governance. *Weishi Magazine*. Issue 5.
- <sup>25</sup> Xiao Weiyun (2003). *On the Macao Basic Law*. Beijing: Peking University Press. 296-297.
- <sup>26</sup> Jiang Chaoyang (2008). On Executive-Led Arrangement in Relationship between the Executive and Legislative as Defined by the Macao Basic Law. In Ieong Wan Chong and Rao Geping (Eds.). *Correct Understanding and Implementation of the Macao Basic Law*. Macao: Associação de Divulgação da Lei Básica de Macau. 51.
- <sup>27</sup> Guo Qiuyong (2006). *Three Contemporary Democratic Theories*. Beijing: New Star Press.
- <sup>28</sup> Liu Gaolong and Zhao Guoqiang (Eds.) (2005). *A New Study on Macao Laws (Volume 1 of 2)*. Macao: Macao Foundation. 18-21.

a comprehensive theory of democracy in two ways. First, they identify types of psychological orientations that constitute a selective force in the evolution of political systems.Â But we now have data from scores of societies, covering the full range from authoritarian to democratic regimes, which makes it possible to make meaningful empirical tests of the central claim of the political culture schoolâ€”that cross-national variation in mass beliefs affects democracy. Despite a massively widened database, statistically significant tests of whether and to what extent mass beliefs affect democracy are still very rare (exceptions include Muller and Seligson 1994; Inglehart 1997, ch. Democratic theory is an established subfield of political theory that is primarily concerned with examining the definition and meaning of the concept of democracy, as well as the moral foundations, obligations, challenges, and overall desirability of democratic governance. Generally speaking, a commitment to democracy as an object of study and deliberation is what unites democratic theorists across a variety of academic disciplines and methodological orientations. When this commitment takes the form of a discussion of the moral foundations and desirability of democracy, normative theory result