On Necessity and Urgency for Scientific Positioning of the “One Country, Two Systems” Theory

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We must unswervingly adhere to socialism with Chinese characteristics, develop it as required by the times, constantly enrich it in both practice and theory and enhance its distinctive national features in keeping up with the times.

– Hu Jintao, Report to the 18th National Congress of Communist Party of China

I. Introduction

China being a socialist country with its own unique characteristics, and a major civilization in the East with a history of five thousand years, has been and still is a cradle of political ideologies worthy of serious study, and has never lacked great thinkers with groundbreaking theories. The theory of socialism with Chinese characteristics is such a significant system of political theories that is most innovative and challenging in the contemporary world. It represents the crystallization and sublimation of innovative thinking by several generations of political thinkers embodying extensive knowledge and meaning. The continuous enhancement of such a theoretical system has brought China to the center of the world stage and earned the Chinese nation, and for the Chinese people around the world, its deserved place as a respected equal among nations. A theory is but a crystallization of human understanding of the laws of the physical and spiritual worlds, and is a special form of intellectual asset of a human society. Theories give systematic, disciplined and concrete forms to human understanding. In our efforts to promote the development and flourishing of Chinese philosophy and social sciences, we should refrain from either self-pitying or arrogance. We should neither belittle our own beliefs and traditions, nor refuse to accept the achievements of civilizations around the world. “We must have every confidence in our theories, review and summarize with great self-consciousness the achievements and valuable experience in our practice of socialism with Chinese characteristics and deepen our understanding of the developmental laws of socialism with Chinese characteristics.” The “One Country, Two Systems” theory as an important, integral part of the theoretical system of socialism with Chinese characteristics has transitioned from a “great concept” to a living reality of being comprehensively implemented, from a notion in the trial and error search of “crossing the river by feeling for riverbed stones” to a systematic and mature understanding. All this has happened following the championing and promotion by Deng Xiaoping himself, codification respectively in the Basic Law of the Hong Kong Special Administrative Region of the People’s Republic of China (hereinafter as “the Hong Kong Basic Law”) and the Basic Law of the Macao Special Administrative Region of the People’s Republic of China (hereinafter as “the Macao Basic Law”), and decade-plus practice and validation in Hong Kong and Macao Special Administrative Regions (SARs).

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Macao was designated as one of the demonstration regions for correctly practicing, validating and embodying the groundbreaking thinking and theory of “One Country, Two Systems”. The administration and residents of Macao were fortunate to have such a historic opportunity. Macao thus has a prominent status and plays a part of significant value. It goes to show that Macao is at the forefront of the study of the “One Country, Two Systems” theory, people of Macao are all its practitioners and academics in Macao should effectively internalize the “One Country, Two Systems” theory. What are happening in Macao, be they in political, legal, economic, livelihood, social or cultural spheres, are a result of the rule of law in the SAR, are positively related to the great cause of socialism with Chinese characteristics, and are part and parcel to the cause of the “One Country, Two Systems” policy. To better demonstrate the success of the “One Country, Two Systems” policy in the Macao SAR, it is necessary to further enhance self-consciousness and achieve a better understanding of the “One Country, Two Systems” theory, giving especially prompt response to and making clear choices on a number of fundamental issues.

II. Epistemological Origin of the “One Country, Two Systems” Principle

Traditional Chinese wisdom and teachings from Chinese civilization find expression in various contemporary forms. They include a harmonious worldview represented by the unity of knowing and doing, convergence of natural forces and human endeavors, by an emphasis on inclusiveness and accommodation. There is also a new mindset of synergy and win-win that emphasizes seeking common ground while shelving differences, encourages cohesion and integration, and gives full play to yin and yang, force and reconciliation and internal and external factors. Such Chinese wisdom rooted in antiquity reflects the sublimation of a scientific worldview and dialectic cognition and knowledge, and the resilient vitality of ancient Chinese civilization in the new era and under new conditions.

2.1 Unity of knowing and doing

The so-called unity of knowing and doing implies consistency of knowledge and action. “Knowing” means understanding and “doing” practice. Chinese scholars have always advocated that this traditional notion on knowing and doing is an academic one about the unity of knowledge and practice, defining the dynamic relation between cognition and action. The traditional notion of knowing and doing has a strong ethical component. Chinese philosophers often alluded to ethical conduct and character cultivation when discussing awareness and action, in addition to the epistemological process. Sun Yat-sen proposed raising awareness being more difficult than mere action when he campaigned for overthrowing the Qing throne, giving “action” a revolutionary dimension. Mao Zedong emphasized the role and significance of “action” and his seminal essay On Practice provided a scientific definition for the meaning and scope of knowing and doing, as a practical guide for Chinese revolution. The epistemology of dialectical materialism stresses the unity of knowing and doing. Lack of knowledge will result in no or ill action; lack of action will yield no knowledge. Sometimes, knowledge precedes action or vice versa, which are necessary processes. How to solve the legacy problems of Hong Kong and Macao before the end of the 20th century had been a challenge to the Chinese nation about “knowing”. Adopting a new mindset and win-win model to complete successfully the return of Hong Kong and Macao to the motherland is a process of “doing” by the Chinese government and people in the new era.

Deng Xiaoping, chief architect of China’s reform and opening up, promptly put forward the historic proposition of socialism with Chinese characteristics, after reviewing the country’s positive and negative experiences over the decades, which proved a right solution to the relationship between knowledge and action. His notions of “one central focus and two basic points”, “shelving
disputes for one hundred years”, “three benefits”, “poverty is not socialism” as well as other scientific conclusions are full of philosophical wisdom. After a little more than three decades of collective endeavors and strenuous work, the country has completely shed its backward image of “poverty and scarcity” and come out as a member of the “club” of great and powerful nations. Undoubtedly, the success can also be attributed to the scientific epistemological approach of unifying knowledge and action.

2.2 Seeking common ground and shelving differences

This is holistic thinking. It is a notion that is at once full of common sense and profound. It is also an old idea that is easier said than done. In a logical sense, the key is to find common ground and reserve differences, assimilating differences through finding common ground and promoting common objectives after recognizing differences, to achieve mutual respect, peaceful coexistence and compatibility. 25 centuries ago, Confucius advocated that “harmony is supreme” and “achieving harmony while reserving differences”, which epitomizes Chinese wisdom and the notion of civilized conduct. In human society, given different interests, aspirations and preferences, it is hardly surprising to see conflicting viewpoints and ideas. There should always be efforts to properly accommodate and respect different aspirations, and seek greater common ground while reserving differences in the interest of interdependence and synergy, and on the premise of shared principles and goals. In fact, the notion of seeking common ground while shelving differences underscores the ideological foundation for the “One Country, Two Systems” theory. Legacy issues between nations can be resolved through either peaceful or non-peaceful means, either rational and smart or aggressive and forceful approaches. After the founding of the People’s Republic of China, Premier Zhou Enlai, on behalf of the Chinese Government, proposed for the first time in the world the five principles of peaceful coexistence, which had won accolades from around the world. The principle and spirit of seeking common ground while shelving differences embodied in the “One Country, Two Systems” theory has proven to be the best example of rational thinking and judgment in the contemporary era. Only by seeking common ground can we achieve consensus, enhance and expand cooperation, and secure synergized competitiveness. Only by preserving differences can we encourage diversity and pluralism in perspectives in the world. Seeking common ground is conducive to synergy and win-win, to prevention of internal feuding, promotion of harmony and inclusiveness, to mutual learning and complementation. Such an approach surly is pragmatic for all human affairs, from state governance right down to interpersonal relations.

In the current new phase of development, it is imperative for the SAR government officials and residents from all walks of life, including academics, to adopt a civilized and rational approach to public dialogue, and continuously seek to broaden the scope of practice in the great cause of the “One Country, Two Systems” policy.

2.3 Harmony and inclusiveness

The Chinese cultural tradition that has continued through the millennia encompasses notions of “achieving harmony while shelving differences”, “convergence of natural forces and human endeavors”, “boundless compassion”, “harmony and coexistence”, “let one hundred schools of thought contend and one hundred flowers blossom”, and “subdue the enemy without fighting and win by superior knowledge”. Of these, “unity of knowing and doing” and “seeking common ground while shelving differences” are two notions representing core values of Chinese tradition. They are well-entrenched concepts with potent force. They form the ideological basis that brought the theory of “One Country, Two Systems” into being.

“In the dialogue of world’s civilizations, China with its ancient civilization should and will inevitably make significant and unique contribution. This is because the Chinese people have a reputation for being inclusive, caring for harmony and peace. We have developed valuable
attributes through long civilization and a wealth of experiences in maintaining the coherence and stability of the Chinese nation for several millennia, which is unparalleled in the world.² China, through more than three decades of reform and opening up, has successfully integrated itself into the world. Different blocs of countries in the world have been vying to get close to China. Toward the end of the 1970s, Deng Xiaoping concluded that peace and development were two main themes of the modern world. Another conclusion of his was made at the 15th National Congress of the Communist Party of China (CPC) that from then through the end of the second decade of the 21st century it would be a significant, strategic period for China’s development. These conclusions embody the noble ideals of Chinese nation and a scientific understanding of “harmony is supreme”, the harmony among peoples of the world and between humanity and Nature.

Our desire and goal is to achieve a new state of societal and international relations that feature harmony and inclusiveness. This is because harmony represents political mutual respect, consultation among equals and joint efforts to promote democratic international relations. It also represents economic cooperation, complementation, and joint efforts to promote economic globalization and move towards balanced development, shared benefits and win-win. In the cultural sphere, harmony means mutual learning, seeking common ground while preserving differences, respect for diversity, and joint efforts to promote prosperity and progress of civilization. In security matters, harmony calls for mutual trust, strengthened cooperation, adhering to peaceful means rather than by war to resolve international disputes, and jointly safeguarding world peace and stability. In environmental protection, harmony requires mutual help and synergetic efforts to protect the planet earth on which our very survival depends.³

### III. System of Theories of Socialism with Chinese Characteristics

#### 3.1 Historical process

On 20th March 1979, Deng Xiaoping remarked in his speech entitled *Uphold the Four Cardinal Principles*, “To accomplish modernization of a Chinese type, we must proceed from China's special characteristics.”⁴ On 1st September 1982, he pointed out in clear and precise terms in his opening speech at the 12th National Congress of the CPC that “We must integrate the universal truth of Marxism with the concrete realities of China, blaze a path of our own and build a socialism with Chinese characteristics – that is the basic conclusion we have reached after reviewing our long history.”⁵ In 1992, Deng Xiaoping’s theory of building socialism with Chinese characteristics and the basic line of “one central focus and two basic points” were incorporated into the Party’s Constitution at the 14th National Congress of the CPC. In 1997, at the 15th National Congress of the CPC, Deng Xiaoping’s theory of building socialism with Chinese characteristics was officially abbreviated as Deng Xiaoping Theory and designated as the guiding ideology of the Party. In November 2002, the official report of the 16th National Congress of the CPC referred to “socialism with Chinese characteristics” as “socialism of Chinese characteristics” and proposed the concepts of “socialist cause with Chinese characteristics” and “socialist path with Chinese characteristics”. In October 2007, the official report of the 17th National Congress of the CPC further defined the meaning of socialist path with Chinese characteristics and the concept and components of “system of theories of socialism with Chinese characteristics.”⁶ On 1st July 2011, in his *Speech at a Meeting Commemorating the 90th Anniversary of the Founding Of the Communist Party of China*, Hu Jintao ranked the system of theories of socialism with Chinese characteristics together with the great banner, path and system of socialism as four core components of socialism with Chinese characteristics.

“The system of theories of socialism with Chinese characteristics is a system of scientific theories that includes Deng Xiaoping Theory, the important thought of Three Represents and the
Scientific Outlook on Development, and this system represents the Party’s adherence to and development of Marxism-Leninism and Mao Zedong Thought.” This system of theories concerns answers to three fundamental questions and summation of three fundamental laws, i.e. “adhering to the ideological line of Marxism, continuously exploring and addressing such significant theoretical and practical questions of what is socialism, how to build socialism, what kind of party we should build and how to build it; and what kind of development China should achieve and how to achieve it. In so doing we can continuously advance efforts for adapting Marxism to China’s realities, uphold and enrich the Party’s fundamental theory, political line, agenda and experience, deepen and expand our understanding of the laws governing the practice of the CPC’s ruling of the country, building socialism and developing the human society. They represent a significant understanding on the part of the CPC for pushing forward reform and opening up, the socialist modernization and development of socialism with Chinese characteristics under new historic circumstances.”

3.2 The historic position of Deng Xiaoping Theory should not be challenged

In a description of Deng Xiaoping Theory in the report of the 15th National Congress of the CPC, the principle of “One Country, Two Systems” was referred to as a manifestation of a policy for national reunification. The principle of “One Country, Two Systems” is indeed highly consistent with unification and both are mutually reinforcing. The philosophical proposition of overlooking differences to pursue common interests embodied in the principle of “One Country, Two Systems” can prove indispensable as a guiding and coordinating principle in handling national and international affairs. It can even provide a convincing frame of reference for reinvigorating an established academic discipline. Deng Xiaoping Theory was gradually formulated after reviewing the historical experiences of China’s socialist practice and drawing upon lessons from the historical experiences of other socialist countries, and has evolved in the practice of China’s reform, opening up and modernization, and on the premise of peace and development being the main theme of our times. It has “for the first time ever systematically provided preliminary answers for a series of questions concerning the development path, phases, fundamental tasks, driving force, external conditions, political assurance, strategic steps, Party’s leadership and dependable forces of support for socialism in China, as well as China’s reunification. It also provided guidance in developing the CPC’s fundamental line for socialism in its primary phase of development in China.”

This scientific system, which is largely comprehensive, integrates studies in philosophy, law, political economics and scientific socialism, covering areas of economy, politics, science and technology, education, culture, ethnic affairs, military affairs, diplomacy, and the united front. It also requires continuous improvement. “This all-encompassing system of theories, which is in keeping with the times, provides assurance for effective implementation of socialism with Chinese characteristics. Such a socialist system comprises the following: a) the basic economic system in which public ownership is the mainstay and economic entities of diverse ownership develop together; b) the system of people’s congresses, the system of multiparty cooperation and political consultation under the leadership of the Communist Party of China, the system of regional ethnic autonomy, and the system of community-level self-governance; c) a system of socialist core values reflecting the nature of socialist ideology with Marxism being the guiding ideology in China; d) a military system with absolute leadership of the CPC over the armed forces.”

The “One Country, Two Systems” theory, as one of the nine component parts of Deng Xiaoping Theory, concerns the choice and practical needs for peaceful reunification of the motherland. It has direct bearing on upholding the fundamental theory, political line and agenda of the state, enriching the experience of state governance, and safeguarding and improving economic, political, cultural and military systems under socialism with Chinese characteristics. Therefore, in the system of theories for socialism with Chinese characteristics, the “One Country, Two Systems” theory is a new benchmark theory that demonstrates the most distinct Chinese characteristics, is the
most innovative, and attracts the broadest national and international attention

IV. Basic Components of the “One Country, Two Systems” Theory and its Innovative Value

4.1 Basic components of the “One Country, Two Systems” theory

“Socialism with Chinese characteristics is unique in its path, system of theories and the socialist system. It is also unique in the intrinsic relations between its various functions, i.e. as a path of implementation, guide to action and fundamental guarantee, which function coherently as a whole in the great practice of building socialism with Chinese characteristics.” This conclusion is critical to examining and analyzing the “One Country, Two Systems” theory, which has become a field of study having important bearing on society. It advocates greater tolerance and inclusiveness, seeking common ground, mutual interests and win-win while overlooking differences, which represents innovative thinking and understanding.

4.1.1 State sovereignty, i.e. adherence to one China position

“The underlying goal of the principles and policies adopted by the Central Government concerning Hong Kong and Macao is to uphold China's sovereignty, security and development interests and maintain long-term prosperity and stability of the two regions.” China is a major unified oriental nation with territorial integrity. China’s map includes the Mainland as the main body of its national territory, Taiwan region across the Taiwan Strait, as well as Hong Kong and Macao regions that for historical reasons were once subjected to foreign administration. It includes both a land mass of more than 9.6 million square kilometers and vast territorial seas of more than 3 million square kilometers. It includes both the main part of its territory that has practiced socialism with Chinese characteristics and seen tremendous growth in its overall national strength, and the regions that have practiced capitalism and made sound progress in their economies and in raising their standard of living. Safeguarding national sovereignty and territorial integrity and gradual realization of national reunification is a common aspiration and interest of the Chinese nation. The state resuming sovereignty over Hong Kong and Macao and mandating the continuation of their prosperity and stability in sync with the Mainland was thus an inevitable outcome of historical progress.

4.1.2 Coexistence of two systems

The Constitution of the People's Republic of China stipulates, “The state may establish special administrative regions when necessary. The systems to be instituted in special administrative regions shall be prescribed by law enacted by the National People’s Congress in the light of the specific conditions (Article 31).” The Hong Kong Basic Law and the Macao Basic Law stipulate, “The socialist system and policies shall not be practiced in the Hong Kong (Macao) Special Administrative Region(s), and the previous capitalist system and way of life shall remain unchanged for 50 years.” These provisions are based on considerations for historical factors and realities, and the wishes of the Mainland population and the residents of both Hong Kong and Macao. The flexibility in allowing the practice of previous social system in specific local regions, on the premise that the main part of the country continues to practice the socialist system, has proven positive and beneficial. This has enabled the SARs to leverage both its existing advantages and the advantages derived from the “One Country, Two Systems” policy with state support for synergetic effects and within a prescribed period.

4.1.3 On “Macao people ruling Macao”

Like “Hong Kong people ruling Hong Kong”, “Macao people ruling Macao” indicates that powers of administration in the SAR are exercised in the main by local residents, particularly those who are Chinese citizens. Such is a special requisite after the resumption of sovereignty by the state
IEONG Wan Chong, 1-17

and an unprecedented arrangement showing respect for the innovative spirit and dignity of local residents. The practice of the “One Country, Two Systems” policy in the SAR over the past decade and more has convincingly demonstrated the ample wisdom and capability of Macao people in successfully managing, building and developing their region.

4.1.4 On a high degree of autonomy
The Macao Basic Law stipulates that the highest organ of state power, i.e. the National People’s Congress (NPC), “authorizes the Macao Special Administrative Region 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.” (Article 2) With the exception of foreign affairs and defense that fall in the scope of sovereign powers, the SAR administration can effectively exercise its powers in all areas. In the judicial area, the SAR even enjoys the power of final adjudication. This is unprecedented and by far the highest level of local self-government. Importantly, “We must fully and faithfully implement the principle of ‘One Country, Two Systems’, under which the people of Hong Kong rule Hong Kong and the people of Macao rule Macao and both regions enjoy a high degree of autonomy. We must both adhere to the one-China principle and respect the differences of the two systems, both uphold the power of the central government and ensure a high degree of autonomy in the special administrative regions, both give play to the role of the Mainland as the staunch supporter of Hong Kong and Macao and enhance the regions’ own competitiveness. At no time should we focus only on one side and neglect the other.”

4.1.5 On policy stability
The Macao Basic Law stipulates that in the SAR “the previous capitalist system and way of life shall remain unchanged for 50 years.” (Article 5) The state first announced in the early 1980s that the policy of “One Country, Two Systems” should remain unchanged for 50 years. This was reaffirmed later in the two basic laws yet again for a period of 50 years upon their entry into effect, making the entire period equal to some 70 years, or, under normal circumstances, a period for three generations coming into active life. Such a policy codified in law is unparalleled in the histories of China and the world. According to its course into the foreseeable future, the “One Country, Two Systems” policy cannot be changed now and will have no need to change in the future. The primary goal and objective of the Macao Basic Law is to ensure consistent implementation and unqualified success of the “One Country, Two Systems” policy, an arrangement based on scientific assessment of current situation and future trend and embodying contemporary achievement of political progress, without any interruption.

4.1.6 Long-term model
As a basic national policy, the “One Country, Two Systems” policy has demonstrated its viability and superiority through more than a decade of practice in the two SARs. It has become an important, integral part of the socialist path, system of theories and socialist system with Chinese characteristics. The SARs, with vigorous growth and dynamism, have maintained their prosperity and stability, tolerance and harmony, while helping to promote continuous improvement of cross-strait relations. The tremendous improvement in economic indicators of and standard of living in Macao has demonstrated the scientific nature, rationality and plausibility of the “One Country, Two Systems” policy. Thus, it is no exaggeration to say that the existence and development of the two SARs serves as an indicator of China’s development, progress and evolution toward becoming a prosperous, powerful, democratic and harmonious nation. Hong Kong and Macao, as two jewels on the crown of the sovereign state of China, will surely shine with greater brilliance.

4.2 The “One Country, Two Systems” principle: evolution through innovation; optimization through practice
Following the resumption of sovereignty by the Central Government over Hong Kong and
Macao and the successive establishment of the two SARs, advancing the cause of the “One Country, Two Systems” principle and ensuring their long-term prosperity and stability has been put on the agenda of national leadership and become a historic imperative for the residents of the SARs. The “One Country, Two Systems” principle has direct bearing on further reform and opening up and the great renewal of the Chinese nation. “The cause of the ‘One Country, Two Systems’ principle is a cause for common prosperity of Hong Kong and Macao SARs and the Mainland, and is also an important part of the rejuvenation of the Chinese nation.” Thus, systematic and in-depth studies of the “One Country, Two Systems” theory and the Basic Laws are an academic endeavor of great significance and urgency for scholars both on the Mainland and in the SARs.

As early as in December 2004, President Hu Jintao had pointed out, “The ‘One Country, Two Systems’ principle is pioneering work. While the mainstay of the country practices the socialist system, the Hong Kong SAR and the Macao SAR that practice the capitalist system in accordance with the principle of ‘One Country, Two Systems’ should be managed, built and developed well. This is a new task for the central government in state government and administration.” Therefore, both the Central Government and the Governments of the two SARs, as well as our Hong Kong and Macao compatriots, should actively explore and continuously move forward in implementing the ‘One Country, Two Systems’ policy.” Systematic and in-depth studies of the “One Country, Two Systems” theory and the two Basic Laws have become a major task repeatedly emphasized by state leaders. In June 2007, Wu Bangguo pointed out in reference to the Hong Kong SAR, “With the economic and social development in Hong Kong, there will inevitably be new situation and issues in implementing the Basic Law. We need to proceed in the spirit of seeking truth from facts and keeping up with the times, further enhance research on the Basic Law, seriously review the experience of interpretative work concerning the Basic Law in the past, timely address issues encountered in its implementation, expand its practice and achieve its effective implementation.”

In December 2009, Wu Bangguo said in reference to the Macao SAR, “With the development of Macao society, there will be different situations in the course of implementing the Basic Law. The study of the Basic Law should be strengthened, by seriously summing up good experience and methods, and dealing with new situation and problems in its implementation, so as to ceaselessly enrich the theory and practice of the Basic Law and do a good job in its implementation.”

Wu further pointed out, “In retrospect, it was Comrade Deng Xiaoping who creatively proposed the great concept of ‘One Country, Two Systems’, personally led the development of a series of basic principles and policies concerning Hong Kong and Macao, established feasible approaches to resolving their legacy issues and defined the direction for moving forward in the great cause of peaceful reunification of the motherland. It was the Party’s third generation of collective leadership with Comrade Jiang Zemin at its core that ensured smooth transition and successful return of Hong Kong and Macao, turning the scientific concept of ‘One Country, Two Systems’ into a reality, through innovative practice and proper handling of the complex conflicts and challenges. It was the Party central leadership with Comrade Hu Jintao as General Secretary that further enriched and expanded the ‘One Country, Two Systems’ theory and practice, carrying forward the tradition, keeping up with the times and identifying the maintenance of long-term prosperity and stability of Hong Kong and Macao as a major task of state governance under new conditions.”

“Our practice has sufficiently proven that the principle of ‘One Country, Two Systems’ as an important component of the system of theories of socialism with Chinese characteristics has great vitality; the path of peaceful reunification of the motherland as an important component of the socialist path with Chinese characteristics has great vitality.” Qiao Xiaoyang, Deputy Secretary-General of the Standing Committee of the NPC who had long presided over the Committees for the Basic Law of the Hong Kong SAR and the Basic Law of the Macao SAR, pointed out that “the ‘One Country, Two Systems’ principle is yet another great contribution of many that the Chinese nation has made to world civilization. It provided new thinking and a
classic example for other countries in dealing with similar problems.”

“The concept of ‘One Country, Two Systems’ is a classic example of out-of-box thinking and seeking truth from facts; a classic model for having both principle and flexibility, in the spirit of seeking common ground while shelving differences, of openness and tolerance, of peace, harmony, cooperation and win-win. Therefore, the ‘One Country, Two Systems’ principle is not only a treasure trove of political and legal science, but also one of economics, philosophy and cultural theories, which is worthy of our serious exploration.”

V. Academic Classification of the “One Country, Two Systems” Theory

5.1 Basic understanding of the “One Country, Two Systems” theory

5.1.1 The concept of “One Country, Two Systems” has become a mature or largely mature system of theories. Two criteria should be considered in evaluating maturity of a new theory of societal system. The first is its practical relevance, i.e. if it is practically feasible and conducive to steady socio-economic development. The second is the degree of rationalization on the part of government authorities and the public at large in their understanding of such a theory. The “One Country, Two Systems” theory, extensive in scope, highly innovative, widely influential and self-contained as a system of theories, has attracted an increasing number of scholars, who are either directly or indirectly related to this field, to dedicate themselves to its exploration and improvement. It has evolved in the unique social environment of China, rooted in Chinese understanding and cultural tradition representing ancient Chinese civilization, widely recognized in China and around the world because of active championing by state leaders and proven to be correct, feasible, viable and superior after more than a decade of practice in the two SARs.

5.1.2 It marks the initial success of a new model of political process that effectively safeguards state sovereignty and ensures long-term prosperity and stability of the SARs; keeps the previous socio-economic system and way of life unchanged while heralding a range of new political and administrative mechanisms and governance approaches. Now the new SAR system, having been fully implemented, has demonstrated tremendous vitality and competitive strength.

5.1.3 It represents a major breakthrough both from an epistemological perspective and in methodology. The concept of seeking common ground for mutual benefit and win-win, in keeping with aspirations of the kind-hearted people over the centuries, has brought about an environment conducive to development and a system of new mechanisms for regulating public conduct, in a systematic and standardized manner. With such mechanisms, free expression, fair competition and voluntary participation are becoming the norm. The public has come to appreciate the importance of such an environment of seeking common ground while reserving differences, of tolerance and inclusiveness, and opportunities for direct participation for all. The establishment of the SARs has greatly changed the traditional mindset of the Chinese people, in such a dynamic way that is striking to learned people around the world.

5.1.4 It is unprecedented in the history of world civilization. It is innovative in many aspects. Going back half a century, it was not even imaginable; let alone being attempted by anyone. It had been imaginable to everyone including those who are SAR officials now, local residents and even national leaders. In the practice of this untried system, any undesirable or negative situations should have come as no surprise. They should be dealt with according to law or with serious efforts at improvement if such is warranted. No more and no less. “The ‘One Country, Two Systems’ principle has posed a serious challenge to established political and legal systems and theories, including constitutionalism, administrative law and every other field of legal studies, to economic systems, philosophy and traditional way of thinking.” One thing has become increasingly clear. Namely, “the study of ‘One Country, Two Systems’ is inseparable from the study of the system of
theories of socialism with Chinese characteristics. It is in fact a study of China’s national conditions, characteristics, wisdom and innovation, of the modernization and evolution of Chinese humanities and social sciences, of the objective laws governing long-term prosperity and stability of the SARs and the great renewal of Chinese nation. It is a necessary path to self-improvement in thinking and mindset change for scholars on China.”

5.2 The “One Country, Two Systems” principle and studies of Constitution and Constitutionalism

The concept of “One Country, Two Systems” was first proposed and evolved in contemporary China. The Hong Kong SAR and the Macao SAR have accumulated initial experience in their practice of the “One Country, Two Systems” policy over the past decade or so and are moving forward in the proper paths they have each chosen. The outstanding issue facing the people of Hong Kong and Macao is no longer the understanding of and debate about the “One Country, Two Systems” policy, but a timely, rational, clear-eyed review and evaluation of the experience, problems and lessons in its practice in the two regions. All people and issues can be defined and grouped in the context of “One Country, Two Systems”. Success can be attributed to the scientific nature and viability of the “One Country, Two Systems” theory; setbacks or negative issues and conflicts should be examined in connection with the “One Country, Two Systems” policy. They could be the results of either a lack of recognition of the fundamental national policy, the need for review regarding certain provisions in either of the basic laws that have been in existence for about two decades, or unforeseen external factors that people of good intent loath to see.

From an academic perspective, the “One Country, Two Systems” policy is first and foremost a new extension of constitutional theories and of interest to scholars of constitutional development. The current Chinese Constitution has three provisions, i.e. Articles 31, 62 and 59, concerning the “One Country, Two Systems” policy. In fact, the “One Country, Two Systems” theory is also a topic in modern political science worthy of focused studies. It concerns core concepts of political science regarding forms of the state and government. Of course, the “One Country, Two Systems” policy can also be seen as a topic concerning comprehensive and multidisciplinary studies and be defined as a new academic field where multiple disciplines converge. In addition to legal disciplines such as constitutionalism, jurisprudence and international law, political science and public administration concerning forms of state, government and executive-led government, it is also of interest to academic studies in history, psychology, sociology, linguistics, archival science, anthropology, media, aesthetics and philosophy.

From the perspective of legal positioning and development potential, the study of the “One Country, Two Systems” principle can be a new, innovative field of academic inquiry that reflects China’s national conditions and characteristics, in the service of the socialist cause with Chinese characteristics. Therefore, it has become a daunting challenge to Chinese institutions of higher education and humanities research to enhance their studies in this field and expand talent training. The greater and earlier the input and participation, the better the outcome will be.

5.3 A potential new field of interdisciplinary research

Given the extensive and clear scope of study and the intellectual challenge and potential risks given rise by evolving situation, it is necessary, imperative, beneficial and constructive to achieve as early as possible adequate, realistic and definitive understanding of the “One Country, Two Systems” principle, its definition as an academic discipline, and a proper legal positioning of the SAR system. It is also a matter of immediate urgency for scholars in the SARs and nationwide to enhance their sense of mission and responsibility in this regard.

The “One Country, Two systems” approach promotes mutual trust and accommodation in politics, mutual benefits and compatibility in economic cooperation, and dialogue and tolerance in
culture. Reviewing the practice and development of the “One Country, Two Systems” policy and enhancing understanding of its academic relevance and attributes should be guided and guaranteed by the fact that it is a basic national policy, and supported by the two SARs as platforms of validation. The review and enhancement concerns the great and solemn cause of peaceful national unification and renewal, has direct bearing on basic rights and interests of the residents of the SARs and reflects aspirations of the nation as a whole. The concept of “One Country, Two Systems” embodies a major system of theories and major field of academic inquiry that can be named as the science of “One Country, Two Systems”, encompassing legal, political and sociological sciences, economics and philosophy. We could even give it a catchy name such as “poliwinology” or “win-winology”. Future development may likely prove that such an innovative discipline will revolutionarily optimize the structure and scope of, and advance, the studies in humanities and social sciences, and be recognized and supported by more and more scholars across different disciplines.

VI. A New Theory Worthy of Multidisciplinary Inquiry and Support

The idea of “One Country, Two Systems”, a relatively new concept and theory, came into being and evolved with input and support from various disciplines of social sciences. Likewise, its practice and validation requires their support and championing in theoretical exploration. Key areas of academic study are listed by way of illustration as follows:

6.1 Diplomacy and international relations

“No diplomacy for a fragile state,” so said a statesman in the days of yore. As diplomacy concerns a nation’s sovereignty and core interests, nothing is insignificant in diplomatic affairs. We should all endeavor to gain an understanding of diplomacy, diplomatic thinking, concepts and principles, as diplomacy is all about conflict resolution and intellectual wrestling. An outstanding political leader of great diplomatic skills may be able to change the course of history. In 1955, at the first Asian-African Conference in Bandung, Indonesia, Zhou Enlai’s principled, fearless stance and his accommodating and inclusive approach became a classic example of fine diplomacy. The diplomatic negotiations between China and the United Kingdom, Portugal respectively that were akin to rewriting history literally followed the script based on the 12 basic principles proposed by the Chinese side. They were a show of China’s strength and Chinese leader’s determination and superb wisdom. According to the two Basic Laws, diplomacy is the domain of the Central Government while the SARs are empowered by the Central Government to conduct external affairs and maintain unhindered contacts and communications with the outside world, which can only be beneficial to the state and the SARs. Of course, we need to be on guard always against and deter any attempts by external forces to interfere in Hong Kong and Macao affairs.

6.2 Military or defense science

Military science concerns “laws that reflect the nature of war and national defense and can be applied in directing the preparedness of national defense and conduct of war.”24 The tactical aspects of military science cover “theories and methodology for directing battles and troop training and deployment.”25 Military forces defend state sovereignty and independence. In a socialist country, armed forces are subject to Party’s leadership, which as a matter of principle should continue to be upheld into the future. In whatever forms of warfare, be it traditional or modern special warfare, two things are always important. One is military muscle, i.e. the superior military hardware. The other is strategy and tactics, i.e. winning by intelligence, preparedness and outmaneuvering enemies. Sun Tzu’s Art of War, one of the world’s most influential book on military strategy, advocates the
combination of force and wisdom. He proposed strategies for guaranteed victories, calling for “subduing the enemy without battle.” He said, “What is of supreme importance in war is to attack the enemy’s strategy. Next best is to disrupt his alliances by diplomacy. The next best is to attack his army. And the worst policy is to attack cities.” His teachings have had profound and far-reaching influence for millennia and around the world. The return of Hong Kong and Macao and peaceful resumption of sovereignty by China has truly set an international precedent for winning without battle. China’s strong national defense and its optimal art of war were indispensable to the two regions’ smooth return and post-return prosperity and stability.

6.3 Economics and management science
Economics as a comprehensive discipline concerns itself with optimal allocation of resources, sufficient market competition, and return on investment, which have a bearing on the practice of the “One Country, Two Systems” theory. Many issues in the study of mini-economies focusing on self-determination and development, in regional economics focusing on mutual benefits and win-win, in development economics aiming for overcoming development hurdles, and in gaming economics studying gambling as well as game phenomena in society, need be tackled and explored. Theoretical breakthroughs in these studies are called for in support of the practice of the “One Country, Two Systems” theory in the SARs.

6.4 History
History provides lessons from civilization that can prove very important to Macao. The history of Macao since it first became a trading port five centuries ago also provides a unique reference point in modern history of China and the history of Eastern civilizations. Tribulations in Macao’s history provide a rich source of data for historical and social science studies. In 2005, the Historic Centre of Macao was inscribed on the UNESCO World Heritage List. This marked a sound beginning for further exploration and development of Macao’s historical heritage. Reviewing the experience of this small town in its evolution over the centuries and the lessons that can be drawn should be a long-term endeavor for the Macao academia.

6.5 Sociology
Contemporary sociology seeks to promote balanced social relations, optimal social structure, sharing of societal benefits, social progress and health of social ecosystem. Seeking common ground while overlooking differences, tolerance and inclusiveness, civic awareness and diversity should all be important components in the Macao SAR’s administration and its development as a civic society.

6.6 Political science
Political science studies the effective exercise of state powers and management of state affairs. The resumption of sovereignty over Macao is a significant state affair, so is ensuring its long-term prosperity and stability. Therefore, it is absolutely necessary for both SAR officials and the public to have adequate knowledge of the political science and apply it to administration according to law. Further, gaining a little more knowledge of China’s national conditions and giving due attention to socialism with Chinese characteristics should become a regular exercise. In the practice of the “One Country, Two Systems” policy, it is especially important and constructive to have careful examination and study of proper approaches to managing and making use of capitalism within the framework of a socialist state.

6.7 Legal science
It can also be called the study of societal normative rules that ensure legitimacy of government
powers and sufficiency of civil rights. Upholding social justice and equity is at the core of the rule of law and a core theme of contemporary legal science, and in particular, of constitutionalism. The Macao Basic Law represents the greatest achievement of codifying the “One Country, Two Systems” policy, setting a number of precedents. They include: the lengthy period of its drafting stretching for four years and five months, which is rarely seen in history, a basic law with constitutional structure for such a small region as Macao, the extended advance period of six years and eight months from its official publication to entry into effect, and the power of final adjudication for a small town of a few hundred thousand residents, which is unparalleled in the world. There are also other unusual legal provisions which are simply too many to list.

6.8 Philosophy
Philosophy concerns itself with “the holistic or interdisciplinary study of the universe”, and with “the study of general laws of nature, society and the human mind and their development.” Proper handling of relations between knowing and doing, common ground and differences, and existence and consciousness, and achieving fundamental understanding of social development are objectives of philosophical studies. The “One Country, Two Systems” theory and its continuous improvement has given Chinese scholars of philosophy a unique vantage point and an opportunity to come to the forefront of their field. Continuous improvement is a key to theoretical innovation of the “One Country, Two systems” principle. Philosophy is also a discipline of learning and can be acquired through learning. We should not shy away from this field of study and marginalize ourselves.

6.9 Psychology
Psychology is the study of psychological processes including cognition, emotion and willpower and human attributes such as ability and character. It is and will continue to be highly topical in efforts to remove psychological barriers and alleviate the post-return denial and regression syndrome. Maintaining psychological health of its residents is a common objective of any modern society; Macao should be no exception.

6.10 Aesthetics
Aesthetics deals with aesthetic relations, the creation and appreciation of beauty and aesthetic education. Aesthetic education is an important indicator of civilized society and should always be emphasized. Chinese civilization attaches importance to “truth, virtue and beauty”. The epistemological core of the “One Country, Two Systems” principles seeking common ground while shelving differences. Achieving mutual respect and recognizing common ground to the greatest extent possible is a process of seeking “truth, virtue and beauty.” We sincerely hope such could be a benchmark of civility for Macao residents’ personal development and self-improvement as well. Adult population need to brush up on, and young residents should enhance, their aesthetic education. Government, community organizations, academics and all residents should all commit themselves to and work toward this goal.

VII. Developing a Holistic Mindset about the “One Country, Two Systems” Policy, Cultivating Civility based the “One Country, Two Systems” Principle

7.1 Dominant trend
In as early as 1982, Deng Xiaoping pointed out, “The Chinese people have their own national self-esteem and pride. They regard loving their motherland and going all out in building the socialist motherland as the most glorious thing to do, and damaging the interest, dignity and honor
of the socialist motherland as the greatest shame." 30 He also passionately stated, “We have every reason to believe that the correct program to be formulated at this congress will create a new situation in all fields of socialist modernization and bring prosperity to our Party, our socialist cause, our country and all our nationalities.” 31

Three decades later, China and the Chinese people have witnessed the tremendous transformation in this primary phase of socialism that brought the most extensive prosperity to the country. Under the guidance of the principle of “One Country, Two Systems” that was personally formulated and whole-heartedly promoted by Deng Xiaoping, the Macao SAR has also achieved tremendous transformation unprecedented in its 460-year history since it first became a trading port. The “One Country, Two System” policy has become a social reality beyond any doubt and has proven to be inexorable, scientific, viable, and advantageous as a basic national policy. However, gaps in understanding of the SAR and the “One Country, Two Systems” policy undeniably still exist. Right upon the return of Macao to the motherland, this author called for serious attention to preventing “post-return denial and regression syndrome”. Now, 14 years later there still likely are people in Macao who have such a syndrome. The infliction seemed more prevalent in our neighboring region where there had been resistance to national education. In Hong Kong and Macao that have experienced a higher degree of globalization, diversity in beliefs and value systems is expected. In a certain sense, this is a good sign and can be an advantage. However, mainstream values will always be essential and indispensable as guidance under any circumstances. The SAR Government exercising effective administration, organizations representing different circles and riding the tide of change in society, as well as residents of the region should all show keen concern, rational response and positive reaction. Those who fail or refuse to recognize, and act against the dominant trend of the times, should not be allowed to succeed and get away with it. Of course, the SAR leaders should also adeptly and promptly review their work and draw lessons, correctly exercise their administrative powers, and appeal to public wisdom.

7.2 Crack the paradox on the gaming industry

In Macao, there has been extensive debate on the value of there being a gaming industry and its role in a more diversified economy, which is likely to continue for a long time. There are two aspects to this debate. The first concerns moral judgment. In any discussion about gaming industry, people tend to focus on gambling and entertainment per se, believing that it is not appropriate to glorify and be excessively dependent on it. Then there are also those who believe it is not appropriate to denounce and reject the industry. In a broader sense, “gaming” (in the form of conflict and cooperation) is ubiquitous in human society. There is perennial contention between healthy and unhealthy forces, and between those who are civil or callous in their conduct. In the political sphere, the contention centers on “power”, in business “money”, and in culture “value”, i.e. between “truth, virtue and beauty” on the one hand and “falsehood, evil and vile” on the other. Therefore, it will hardly be surprising that a new discipline centered on social game theory may someday come into being. The second concerns the merits or otherwise of gaming industry. Some have argued that the industry is dependent on money brought in by Mainland visitors. Others named it a vice, an overreliance on which would lead to immeasurable trouble. It is undeniable that gaming industry has its undesired and problematic aspects. However, it is primarily a legitimate business in Macao and operates in compliance with law and under legal supervision. Its existence therefore is legally justified. Further, on balance, its merits and benefits, with significant contribution to Macao society, far outweigh its ills. Thus, its existence is also rational. It is worth noting that the industry has existed in Macao for more than a century and half; it is not an invention by the SAR. Its liberalization in 2002 was merely to diversify its owner-operator base.
7.3 Capitalism or socialism

The gap in understanding of the “One Country, Two Systems” principle manifests itself chiefly in the understanding or lack thereof of the nature of socialism and capitalism. Except for the rare few with ulterior motives, most that show a lack of knowledge of contemporary China are handicapped by their partial vision or lack of exposure. An increasingly more powerful and progressive China is already an undeniable reality, while certain negative aspects about China do exist and their monitoring and criticism should be allowed and welcomed. Meanwhile, lack of sound understanding of capitalism practiced in Hong Kong and Macao may have largely been caused by simplistic and one-sided thinking.

We must recognize that capitalism in the contemporary world is not in wholesale decline. Nor is it anywhere near final demise. It is necessary to continue to leverage the advantages of capitalism in wealth, technology, management, the rule of law and knowledge accumulated over a lengthy period of its practice. Setting up the SARs practicing the “One Country, Two Systems” policy was in no means to glorify and compliment capitalism, but rather to put capitalism at service of socialism. A unitary state practicing socialism allowing one or two of its special regions to retain previous capitalist system after resuming sovereignty over them is unprecedented in innovative thinking and social system design. From the angle of administrative hierarchy, capitalism within special regions is beneath socialism practiced in the main part of the state. Smaller scale capitalism serves to compliment socialism in the main, rather than both being equal. Heads of the local regions are accountable as subordinates to the central government and report to state leaders. The legal status of the SARs dictates they are local, subsidiary administrative regions. The increasingly more powerful state with its main body practicing socialism can grant preferential policies to local regions that practice capitalism. The latter can still give full play to their traditional advantages while participating in the country’s deepening reform and opening up. The arrangement is purely that of integrating internal resources within the state, of mutual benefit and win-win. The SARs are a positive outcome of integrating advantages of socialism and capitalism, rather than anything else.

7.4 Path of civilization

Civilization is at the heart of national renewal drive. Civilization is also an accumulative process. The people in the SARs are ideally placed with a sound foundation in civilization. Room for improvement in this regard is also evident to all. Civic or national education is of great significance to the stability of governance and long-term practice of the “One Country, Two Systems” policy. To ensure advancement of the great cause of the “One Country, Two Systems” policy, to effectively respond to complex and changing situation and to always stay on top of changes, it is imperative to continue enhancing systematic understanding, at the basic and fundamental levels, of the historical inevitability, institutional rationality and practical viability of the “One Country, Two Systems” policy. Namely, we should aim to achieve a theoretical and scientific assessment that is true to reality. Scholars engaged in theoretical research should continue dedicating efforts to their examination and exploration, while administration officials should make positive judgment and right choices, with appropriate adjustments and adaptation, and take a firm stance against unhealthy tendencies while remaining on the cusp of innovation of the times. They should adopt a holistic vision regarding the “One Country, Two Systems” policy, with a view to its broader impact and interconnectivity. They should also have a proper sense of appropriate relationship between the state and the SARs, and between society and individuals, making proper adjustment in the development of personal potential, given the needs arising from the changing situation. They should adopt a healthy system of values and mindset for their career development and professional conduct, and firm up their conviction in the bright prospects of the state and nation. They should hold their heads high, be unequivocally committed to being part of the larger process of political progress, and share the pride and dignity of being a Chinese. Such will be a smart choice in our current times.
VIII. Conclusion

“There is no end to practice, to seeking truth, or to making theoretical innovations.” “Maturity in theoretical understanding is the basis of political conviction, advancing with the times in theoretical understanding is a prerequisite for forging ahead in action.”32

After three decades of pioneering work, exploration, review and improvement, the “One Country, Two Systems” policy as an unparalleled new social system, development model, societal ecosystem and power game, has gradually achieved a level of maturity. The SAR’s dynamic social reality, the aspirations of the people of China, blessings of national leadership, and the attention from the international community have together brought about a profound public understanding of the following:

- The “One Country, Two Systems” policy as core component of socialism with Chinese characteristics is not only a comprehensive, systematic and logical new theory, but also a theory that is all-encompassing, and highly innovative;
- It provides not only comprehensive and systematic guidance to the launch and operation of the SARs, but also valuable theoretical support to deepening reform and opening up, and better defining and improving socialism with Chinese characteristics;
- It provides not only a new impetus to ultimate completion of peaceful reunification and successful national renewal, but also far-reaching inspiration for handling international affairs in the new century, and international relations based on seeking common ground, mutual benefit and win-win while overlooking differences.

As residents of the SARs practicing such a new system, we should remain sober and rational in our political perception, as the SAR being a new societal form is bound to face uncertainties in its path. Practices proven successful in the initial phase should be continued. Follow-up actions should be taken in real earnest for areas of improvement. We should also not shy away from any uncertain matters that require further exploration and rational trials. In pursuing the great cause of the “One Country, Two Systems” policy, everyone shall have the right to expand their participation and the opportunity to realize their aspirations in the new era. The key is to grasp the basic laws governing the practice of the “One Country, Two Systems” policy and dare to seek and leverage, in uncertain circumstances, the positive factors in keeping with core values, to keep up with the times, and be proactive and unyielding.

Notes:


Ibid., 208.

Ibid.


Ibid.


Ibid.


Ibid.

Ibid.

Ibid.


Ibid.

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Ibid., 2.