In the post-war era, we had to confront several challenges. We had to recover from the devastation of the war and rebuild our economies. This was particularly true for the world’s economies, which had been severely damaged due to the conflict. The process of reconstruction was not easy, but it was necessary to ensure a stable economic future for all.

In this chapter, we will examine the process of economic transition in Africa. We will look at the different strategies that were employed to achieve this transition, and we will analyze the challenges that were faced. We will also discuss the role of the international community in supporting these transitions.

1. Recent Trends in the World Economic System

2. China's Rise and World Economy

A comparison between China and other major economies, focusing on their economic growth and development strategies. This will provide insights into the potential impact of China's economic growth on the global economy.

1. PRC's Transition to the World Market

Mario Mutia
Third, as Gunnar Myrdal’s elaborate thought suggested, at the time, the integration of the national economy — searching the ideal of equal opportunities for all citizens, whatever their classes, regions, gender or races — should also be pursued by economic policy decision makers and, once again, that goal was not contradictory, but complementary, of the desired economic growth and social progress.

Since the seventies, all that was seriously threatened, and in the present decade it is obvious that economic growth is not easily combined — even in countries of stronger social democratic tradition — with the pursuit of full employment and social progress. Unionism is forced to a hard and painful metamorphosis, and almost nobody seriously talks any longer about the integration of the national economy (even the target of nominal cohesion predominates over the real cohesion in the frame of transnational economic integration under the European Union banner).

How could such a profound and (for many) unexpected shift in the trajectory of the world system occur in a period as short as two decades?

It is not our purpose to analyse here in depth this fundamental interrogation, but just as an introduction to our theme, we need to mention a few points related to this question:

A new international economic «order», let us call it the global market, emerged in the last two decades, very far from the New International Economic Order (NIEO) that Third World Countries claimed for, twenty or thirty years ago. (By the way, notice that neither this Third nor the Second World any longer exist: the NIEO, as a project to the reform of the world economic system, could not, obviously, survive those collapses)

The great players in this global market, the TNC, Transnational Corporations disposing of huge financial and technological resources, may challenge in different ways the traditional powers (for instance, the control of money supply) and even the foundations of the nation state. This is true, of course, both for «old» states existing for centuries (like Portugal, for instance, since the XII th Century), as well as for «new» ones, existing — and in a very precarious way — for two or three decades.

More than ever before, the global, inter-linked, world capitalist economy is conditioning the trajectories of its «national» and territorial components. There is not, anymore, an «international economy» working just as a projection of national economies of unequal power, even if we assume that some of the first still are the «core» of the world system and the others the periphery or the semiperiphery of the same system. Globalisation, among other things, means the possibility of multiple «Third World within» as well as several regional dominant economic poles (or cores), organised in complex and unstable nets of conflictual and/or cooperative relations.

Let us take a closer look to that trend of globalisation.

The «global» market order is a specific kind of world market order, both being, of course, analytical categories we should use to understand the development of capitalism in History.

In a synthetic and, a deliberately schematic way, adapting for our purpose a suggestion of Anthony Giddens, we may say that the domination of the «global» dimension implies a deconnection or de-linking between space and time.

In each point in space we may find the «global time», the global and «advanced» time of technology, finance and management proper to a TNC, whose headquarters may be very far in space but are always there in terms of information and decision making procedures.

In the same local point (say, Guangzhou in South China, Cabinda in the north of Angola or Vizeu in the north of Portugal), different productive systems and cultures, some very old and traditional, that is, deeply rooted in that particular «locus», are existing and functioning side by side.

In this sense, «global» time is invading and dominating «local» time everywhere in the planet, in part — as it is happening now in China — as a consequence of TNC’s strategies, as well as of local strategies to attract FDI (Foreign Direct Investment). This process, of course, is not something totally new in capitalist development and has its roots in the long term process of that development: what is radically new is the impetus, scale and accelerated speed of this specific way of social reproduction at the world system level.

2. THE ENGINE OF WORLD ECONOMIC GROWTH: FROM WEST TO EAST

Even if we still have not a convincing explanation for the fact, there is no doubt that the so called Industrial Revolution is a Western event. What the Nobel Prize winner, Simon Kuznets, called (and analyzed in quantitative terms) Modern Economic Growth is a process mastered and powered by some Western societies, able to spread their economic, technological and political power all over the world. This was, it is well known, the start of a tremendous process of social change in the planet, and we are aware, now, of how much Nature itself is vulnerable to that change.

According to Kuznets estimates, the size or scale of North American economy increased about a thousand times in the two centuries after independence, that is, from 1776 to 1976. This is, however, slow growth, compared to the economic growth of PRC in the 80’s, at an annual average rate of growth, nearly, three times faster!

The important fact to stress here, however, is one of the most salient features of the recent evolution in the world economic system: the trend to move the most powerful engine of world economic growth from a region in the West of the planet to a region in the East. This statement may look
contradictory to what we said before on globalisation. It is not surprising
that some contradictions may be found when we try to analyse recent trends
in capitalist development. It remains true, however, that the areas of faster
economic growth, at world level, in the last two decades are located in the
Asia Pacific region.

Why so?

It would not be wise, in our opinion, to look for a simple, one single
factor based, explanation of a complex evolution.

When we think, first, of Japan post Second World War economic growth;
second, of the trajectory of the so called Four Dragons; and, third, of the
economic growth of PRC since the eighties, it seems obvious that many
different factors and circumstances played different roles in each case. But,
of course, this is not saying that some general interpretation of the recent
upward move of the Asia Pacific region in the world economic system is
necessarily meaningless.

Mutatis mutandis, something like that could be said about the failure
(instead of the success of Asian NIC's) of Subsaharian economics in the
last two decades.

However, it is only the recent Chinese process of economic growth that
concerns us here. And the specificity of this gigantic «case» is very apparent
in the Asia Pacific general up grading as a component of the world system.

3. LABOUR ECONOMICS IN THE GLOBAL MARKET:
STRUCTURAL COMPETITIVENESS AND SOCIAL DUMPING

Since the great «classic» economists of the XVII and XIX centuries, until
the third quarter of this century, labour theory of value occupied a central
place in the debate among different paradigms of Economic Thought. Still
in 1973, Paul Samuelson published an important article in the subject in the
American Economic Review. The title of this article, Marx, genius or crank?, was a good suggestion of what was at stake, in Samuelson's view.

In fact, the debate was more often than not a false debate, because the
protagonists were discussing different problems, assuming different sets of
hypotheses, mostly without clearly stating either.

The above mentioned article had, at least, the merit of clarifying the
questions, even if the corresponding answers could remain controversial or
unclear, to say the least.

Let us evoke the fundamental questions at the time:

The departure point was the search for an «appropriate» measure of value.
Value was something related to the market price — this price being the
combined effect of demand and supply curves, each of them representative
of some «subjective» factors, like consumer preferences, and «objective»
factors, like production costs.

But «value» was, or should be, in some way, something more essential
or fundamental than price to the working of the economic system. If we are
looking beyond the surface of capitalism, searching, say, its «raison d'être»,
we cannot accept the market price as the relevant measure of value.

Besides, we need to explain the value of a very specific commodity in
capitalism, that is, human labour itself.

This implied a strong analytical link between the labour theory of value
and the theory of worker exploitation (and «alienation») in capitalism.

Therefore, if we try to extend this kind of analytical approach to the
world market (not at the national market level, as before) we come again to
some kind of unequal exchange theory. In a simplistic formulation, the
theory says that in the periphery, for identical labour productivity levels,
wages are lower than in the core countries.

We had, then, two kinds of exploitation mechanisms in capitalism: between
social classes in «exploitative» countries, between core and periphery in the
frame of the capitalist world system. In short, we could say that exploited
workers and exploited nations were the fundamental means of capital
accumulation in the development of capitalism.

Let us compare that kind of «Marxist» or «Marxian» approach to the
typical approach of the dominant ideology today: we may take as reference
an economist who is, simultaneously, an expert on management, Michael
Porter, the author of «The competitive advantage of nations» (1990), a world
best seller.

Ricardo, as we all know, tried to demonstrate the advantages of interna-
tional trade, in a competitive market, for all participants. One basic hypothesis
he assumed, was the free mobility of goods among countries; he also assumed
the immobility of labour and capital. Both were «rooted» in their
national economics. It is not necessary to describe here the Ricardian theory
of comparative advantage as a persuasive argument for the specialization of
each country in the (so called) International Division of Labour. All countries
were supposed to benefit from that IDL.

Porter, of course, assumes the free mobility of capital, and the essential
of his message is very simple: each country should create, at home, conditions
for the competitiveness of their firms in the world market. But those «national»
firms should invest abroad, not only sell goods abroad, that is, their destiny
is increasing transnationalization. Each country, then, should foster some
kind of «structural competitiveness» in order to support their home based firms
on the transnational competition. That desirable structural environment
includes, for instance, developed human skills and R & D capacities, high
standard costumers’ preferences and intense rivalry among home competitive
firms. The home economy should be a tough training field for firms looking for competitive advantage on the world and global market.

What is «value» in this analytical framework?

At firm level, «value» is what the consumer is prepared to pay for a specific good. Apparently, demand predominates over supply in the determination of «value». But a closer look to the question reveals that supply is always inducing demand to «create» more value.

The goal of the firm is, therefore: (1) to persuade the consumer to pay a «value» as high as possible for a specific good (possibly a new one, resulting from some kind of innovation) and (2) to retain as large a share as possible of that value.

In the global market, the firm has to choose, among other things, which segments of the productive process are worth while to manage directly (the alternative being some kind of subcontracting or, in any case, buying from other firms separate components of that product).

On the other hand, the firm has also to decide the «locus» where either it produces or buys what it decides to keep out of its direct control.

What is the part of the human factor in this logic? To find an answer it is useless to quote Porter: he is obviously not interested in that question, at least, in the same way we are here interested to analyse it here.

According to the rationality of the global market, the human factor is an essential ingredient of that mechanism of value creation, basically in two ways: because the firm is looking for the best location, *coeretis paribus* (other things being equal), in terms of wage/productivity ratio; because the upgrading in the global market demands, among other things, increasing qualification and motivation of the labour force. The first way leads to a reduction of the wage/productivity ratio, for a certain set of products or industrial cluster, the second may act in the opposite direction.

Now, we come to the point relevant to our analysis: in present conditions of the world market, we are facing a situation of, say, reversed unequal exchange or «social dumping», from the point of view of developed market economies.

To put it more clearly: the kind of labour economics characteristic to the «Golden Years» of developed market economies, meant a relevant up grading of the worker's condition in capitalism. At present, the emergence of the global market originates a general pressure to the devaluation of labour in «core» countries and a corresponding trend to the absolute and relative valuation of labour in some countries of the periphery or semi-periphery of the world system. This question is particularly relevant when we consider the entry to that system of the enormous manpower reserve of PRC.

We will see, now, how that entry is presently occurring.

II. THE GREAT CHINESE EXPERIMENT

4. FROM SELF RELIANCE TO MARKET RELIANCE?

Looking back to the Chinese economic strategy since 1949, when the Communist Party came to power, the observer is impressed by the combination of pragmatism and ideology, voluntarism and tradition and also the occurrence of drastic changes of cap, when the political leadership, after a period of deep crisis, faces the urgent need to find a turning point.

In a fascinating book by Harrison Salisbury — «The new emperors: Mao and Deng, a dual biography» — we see how that trajectory was to a large extent determined by the personalities of the great leaders of the time (the «new emperors» in the words of Salisbury). According to this author, Mao's culture and behaviour was much more rooted in the Chinese tradition than in Marxism Leninism. It would be nonsense, therefore, to discuss alternatives of economic strategy without taking into consideration such a complex cultural, social and political reality.

It is true, however, that about twenty five years ago, when Maoism was still an influential ideology, even in Europe, as the promise of a specific road to socialism in alternative to the soviet model, the economic strategy associated to the Chinese experience was clear, simple and persuasive.

An article published by Monthly Review in July 1975, when Harry Magdoff visited the country and compared the economic strategies of Soviet Union and China is well representative of the interested, even passionate, way many Western progressive intellectuals regarded China at the time. That interested, even passionate, look to China from Western observers is still true today, but of course for rather different reasons.

The well-known typical strategic economic implications of that «Chinese road to socialism» were the following:

Self-reliance was the key of that strategy, in frontal opposition to all forms of dependence or subordination to the world capitalist market.

Agriculture and industry should support each other, in the process of economic growth. At the political level, there was the need for the famous «alliance» between industrial workers and peasants.

Priority should be given to the satisfaction of basic needs of the population.

Decentralization of the economic system, and full mass mobilization would avoid the risk of a heavy bureaucratic central planning mechanism, Soviet style.

After the First Plan (1953-57), inspired by the Soviet Union model, the shift from this model and the failure of the Great Leap Forward (1958-60), the return to the Soviet model, the time came for the decade of «Cultural Revolution» (1966/76).
It is common today to hear from Chinese scholars and students speculations about what Chinese economy 'could be', now only the present self and popular reliance on capitalism and world market do not follow exactly the instructions of guides elaborated by headquaters strategists.

5. OPEN DOOR AND ONE COUNTRY, TWO SYSTEMS

In theory, Deng's economic strategy is a brilliant exercise on pragmatism and solid common sense economics. Even if the discource is not so simple as that, the essential message is the following: China needs to absorb from outside world capital and technology, and also needs to develop its own capacity to get a rising share of the world market. The proportion of export in National Product was 18% in 1990, but was only 2.5% in 1759. Notice that national product is growing very fast at an annual average rate of 10% since the '80s.

It is also true that the outer system needs more flexibility, a much greater degree of decentralization, and terms of local and regional decision makers as well as at the level to mention, the collapse of the Soviet economic model and the troubles of the transition to a new economic system. Chinese reform strategies cannot ignore these lesson.

On the other hand, a great number of Overseas Chinese — in Taiwan, Hong Kong, Singapore, etc. — have considerable wealth and skills and eager to participate in the Chinese economic development, particularly if simultaneously they could develop own business.

The obvious solution for this situation seems to be combining a strategy of foreign investment and technology with a domestic reform. The need economic reform for a country-oriented to attract foreign investment and technology.
In 1979, the first four SEZ were formally set up: Zhuhai and Shenzhen, with specific vocation to attract capital and know-how from Taiwan. Later, in 1984, Fujian and Macau were added. In 1988, the largest one, the Hainan island, was also set up. Off the coast of Vietnam in Southeast Asia, Hainan has a long coastline and its own island. The intention is to reverse one of the main features of the Chinese economic strategy under Mao's leadership, that is, giving priority to agriculture and construction. The geographic periphery, starting by zones closer to the open areas, and the coastal, is the strategy. The geographic periphery, starting by zones closer to the open areas, is the strategy. The geographic periphery, starting by zones closer to the open areas, is the strategy.

Before referring to Zhuhai and Shenzhen, the major remarks about this special zone need to be made. First, the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude.

The third point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude.

The fourth point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude. Furthermore, the second point is the pragmatism — the least adopted by central authorities as the strategy develops, with increasing amplitude.
We were told that about 20,000 lorries per day cross the border — in both directions — between Hong Kong and Shenzhen. In addition, there are over 400 industrial production points. The extraordinary growth of industrial infrastructures in Shenzhen can be shown in a single set of facts:

- The international airport in Shanghai, which was opened in 1992.
- The new railway link to Guangzhou, which was opened in 1992.

In Shenzhen, there are also a few large harbours located in the zone, most of them from Hong Kong. Japan, China being the second source of investment. In 1992, the six free trade zones set up in China.

There is no fair circulation between the Free Trade Zone and the rest of the province. There, we were told, equal treatment for Chinese and foreign firms and managers may freely recruit manpower, even outside the Guangdong province.

- Electric equipment and super integrated circuits.

The Shenzhen - China Bicycle Company (SCB) is a joint venture of firms from U.S., Hong Kong and China, that started working in 1984. The American partner has the market exclusive distribution in U.S. SCB employs more than 2000 workers and is the largest bicycle manufacturer in the world.

- A few notes on the new cases of foreign investment in Shenzhen.

A few notes on the new cases of foreign investment in Shenzhen.

The first PepsiCo unit started working in 1981, and it is pioneer in China. The Chinese partner does not put any capital into the business, but physical equipment or just land. It is interesting to note that this peculiar joint venture started functioning without formal approval from central authorities. But this kind of fact is not at all exceptional in China.

The first PepsiCo unit, employing 125 workers, is linked to another PepsiCo firm in Hong Kong. Several decisions concerning planning and budgetary elaboration and control are discussed on meetings held in Hong Kong.

In 1993, according to official local data, 40 countries invested in Shenzhen. The first investor was the US (6%), the second one, the UK (2%) and the third China (5%). The great majority of these investments are in the form of "joint ventures" with Chinese partners. Fully owned foreign investments are possible and this is (as was the way) the way Japanese firms prefer to invest in China. In 1993, around 30% of firms in Shenzhen were fully owned by foreign investors.
9. MACAU VERSUS ZHUA!

When, in 1577, Portuguese merchants got permission to a permanent location in a strategic position on the Pearl River Delta, they set up the centre of commerce between China and Japan until the middle of the 17th century. It would stay under Portuguese administration for more than four centuries.

One of the fascinating things about Macau is that the official Portuguese presence had no significant effect in terms of Western Portuguese culture. In particular, cultural dominance. But, on the other hand, it was that peculiar long-term presence that gave a autonomous trajectory, side by side with the gigantic China, and also surviving as a minor neighbour to the powerful Hong Kong.

It is, therefore, obvious that the intimate economic connection between Macau and China, on one hand, and Hong Kong and Shanghai, on the other hand, has nothing to do with the kind of relationship between China, Zhejiang in particular, and Macau.

10. ALTERNATIVE SCENARIOS FOR MACAU

The Macau Chinese Chamber of Commerce was established in 1911 and is a powerful center of pro-Chinese influence in Macau, with about 3000 members, most of them private firms, but also some state-owned companies. In contrast to Hong Kong, where central Government economic interests are less represented than regional ones (Guangdong province), Chinese central economic role is relatively stronger in Macau. This may be the ultimate factor in the future development of the territory, after the transfer to China sovereignty in 1999.

Macau's economy relies heavily on gambling and tourism. The contribution of gambling to local government current revenue is close to 50%. In 1991, 61% million visit to Macau, moreover, staying just one day of the 2 million residents. Most of them, went to Macau to gamble, staying just one day of two in the territory. Therefore, tourism, as an independent activity from gambling, is not so developed as it could be, considering other specific
interests of the territory, particularly as a cultural and secular point of contact between West and East. The economic future of the territory, then, depends on what will happen to gambling after 1997. Its disappearance seems unlikely, considering the great amount of Chinese economic interests associated to gambling-related activities, but there is the possibility that other places in China may compete with Macau in this field.

In any case, what we may call the Monte Carlo scenario is perhaps the most probable scenario for the future of the territory. And Zhui may share some part of the corresponding income, particularly if it succeeds to keep part of the people coming from mainland to Macau in its own touristic area of interest.

As a productive center, Macau is severely limited, on one hand, by the smallness of the territory, on the other hand, by the increasing cost of manpower. For instance, according to estimates of the Macau University, the labour cost in Macau for skilled workers as well as for trainees in the furniture industry is about six times the corresponding labour cost in Zhui, however significantly under wage levels in Hong Kong. This is one reason for the ongoing transfer of factories from Macau to Zhui.

As a financial center, Macau is largely subordinated to Hong Kong. It is through Hong Kong that Macau's banks have access to other financial centers in the world.

In terms of external trade, however, Macau has some advantages. It is a free port and an agreement signed with the European Community in 1992 entitled Macau to a favoured nation treatment. Besides, the «European Community Investment Partners» (ECIP) offers financial, trade and investment advantages to joint venture European companies in Asia.

This possibilities may suggest another scenario for Macau's future, as an «economic bridge» between European countries and China. According to that scenario, Macau would be a contact point, an information center, a technical assistance support, and also an area for trade promotion between PRC and EU countries.

A third possible scenario may be called «the trans-cultural pole». Macau would become a cultural and scientific center oriented to develop exchanges, at those levels, between China and Western countries, as it in fact has been in some periods of the past. The University of Macau — once property of an economic group from Hong Kong and now owned by the Portuguese Government — and the United Nations University International Institute of Software, established in Macau, are examples of possible instruments for that strategy.

In practice, the future will be, probably, some combination of the three «scenarios» we mentioned above. In general terms, that future will depend on the trajectory of the present economic (and political) transition in PRC, and, in particular, of the specific conditions of that transition on the Guangdong province. However, the present strong direct influence of PRC's central powers in Macau will possibly allow a certain autonomy to the territory, in relation to Guangdong provincial authorities.

11. GUANDONG, ZHUAI AND SHENZHEN IN PRC'S TRANSITION TO THE WORLD MARKET

Writing in 1942 about «Capitalism, Socialism and Democracy», Schumpeter concluded by the «cultural indetermination of socialism», meaning by that the inexistence of a necessary correspondence between the economic system and the cultural dimension of society. Perhaps we should speak, now, at the time of global capitalism, of the «cultural indetermination of capitalism».

It is well known, too, Schumpeter's belief that capitalism was running to socialism, not because its failure — as Marx supposed — but because of its success. It is easy to be ironic, today, and state that «real» socialism is running to «real» capitalism, not exactly because the success of the latter but because the failure of the former.

The Chinese transition is a fascinating, but also a extremely complex, research matter for those still interested in the big issues that attracted great authors, like Marx and Schumpeter. In fact, at the end of the day, our subject is about capitalism, socialism and «culture».

One of the big difficulties we find is the understanding of the present working of the Chinese economic system. It would be too easy to assume, literally, that we have just «one country and two systems». Even if we only consider the province of Guangdong — and we are aware of the strategic importance of this region in the global transition of PRC — it is obvious the complexity of the relationships among: Hong Kong and Shenzhen; Zhuai and Macau (and Hong Kong); between these areas and Guangzhou; finally, between all these components and the central powers in Beijing.

In fact, this complexity, say, in the peripheral space, is increased by the complexity of the center itself, as well as of the relationships between the central power and the regional and local powers.

Just to give one example, we may consider the Foreign Trade Entreprises (FTE). These FTE are the only enterprises licensed by the state to engage in foreign trade. This license may be approved by the State Council in Beijing or by the provincial government. However, due to the fast-growing number of FTE in the Delta region, the central government decided, since January 1986, that all new FTE should be approved by Beijing.

But we should also take into consideration that there are four types of FTE's in China: national corporations under the supervision of the Ministry of Foreign Economic Relations and Trade (MOFERT) with their branches and sub-branches; the so called «end-user» corporations under ministries
Lei Qiang

The Economic Cooperation between Macau and Zhuai

In the economic cooperation among Hong Kong, Macau and Zhuai, the questions of the possibilities and the ways to further increase the economic cooperation between Macau and Zhuai, to exploit the cooperative advantages of these two places, so as to better develop the integrated economy among Macau, Zhuai and the Pearl River Delta are always raised. This becomes more important when the central government is adopting the macroeconomics adjustments and control, Zhuai enterprises are suffering from inadequate capital and difficulties in operations. At the same time, the slowdown of the real-estate activities in Macau brings on a stagnant economy. Under these situations, there are suggestions of forming mutual beneficial economic cooperation between these two neighbours so as to overcome the above difficulties and develop their economies.

I. THE POSITIONS OF MACAU AND ZHUAI IN THE ECONOMIC AREA OF THE PEARL RIVER DELTA

Both Macau and Zhuai are situated in the same area of the Pearl River Delta, i.e. the western coast of the Pearl River mouth (on the east coast are Hong Kong and Shenzhen). They are connected by means of roads and water transport. The nearest point between these two places is only about a hundred meter apart. Although their basic functions are different, one is a free trade port and the other one is a Special Economic Zone (SEZ) in a coastal area, they are neighbouring harbour cities (Macau is recovering and rebuilding while Zhuai is developing) and the main functions of any port cities are the same, i.e. — to open up to the outside world and to carry out international business and trade activities. Together they build up an international gateway for the western part of the Pearl River Delta and develop it into a bridge to world market for the Big Pearl River Delta which comprises of Hong Kong, Macau and the Pearl River Delta, and also for South China and China as a whole.

To the western part of the Pearl River Delta, Macau is an important international channel to Portuguese speaking countries, Portuguese ex-colonies, countries of the Latin language countries and European Community