

# The Future Perspectives of the Lusophone BRI and the Role of MSAR

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## Abstract

"The Belt The Road" is China's major strategy under the new normal economic situation. We are promoting the construction of a new pattern of international economic cooperation and integrating China into the world at a higher level. As one country two systems and one belt, one road to international city, Macao has been entrusted with China's reform and opening up as a springboard, bridge and window. China is actively building the Belt and Road strategy and actively integrating the development of The Forum for Economic and Trade Co-operation between China and Portuguese-speaking Countries. We should play a supporting role "one belt and one road" to speed up the construction of a platform for trade and cooperation between China and Portuguese speaking countries, and further build a Macao economic and trade cooperation Exhibition Center and a small and medium-sized business service center. Commodity distribution center of Portuguese speaking countries and international tourist city.

## Keywords

Belt and Road Initiative; MSAR; Portuguese Speaking Countries.

## 1. Introduction

Affected by multiple adverse factors, the gambling industry in Macau, which has been booming for many years, has adjusted, and the revenue of the gambling industry has fallen sharply, which has dragged down the negative growth of Macau's economy for several consecutive quarters. The risks caused by the single industrial structure to Macau's economic prosperity and stability are highlighted again. The central government's one BRI in 2013 has aroused widespread resonance among countries and regions along the route.

## 2. The Prospect of Portuguese-Speaking Countries under the BRI and the Positioning and Role of the Macao Special Administrative Region

Portuguese belongs to the Indo-European family of languages-Romance-West Romance. Portuguese is one of the few widely spoken languages in the world and is the fifth (or sixth) largest language in the world. Besides English and Spanish, it is also spoken all over the world. One of the most widely spoken languages. Portuguese is second only to Chinese, English, French, Spanish, and Arabic. Portuguese-speaking countries and territories include Angola, Cape Verde, Guinea-Bissau, Mozambique, and Sao Tome and Principe in Africa, Brazil in South America, Portugal in Europe, and Timor-Leste in Asia. Due to historical reasons, Macao has long maintained extensive and close ties with Portuguese-speaking countries. It also adopted legal and administrative structures similar to those in Europe (Cheng, 2020). As an intermediary and bridge between the Chinese mainland and Portuguese-speaking countries, Macao enjoys obvious advantages.

In reform and opening up that began in the late 1970s, Macau and Hong Kong brought rich and mature market operation experience and overseas investment relationships into the mainland and acted as an intermediary role for international companies investing in the mainland (Yeung

& Liu, 2008). In another words is what we usually call a bridge. As a window effect. Under the "Belt and road" initiative, Macau's most promising role may be to strengthen its economy by participating in investing in other countries and regions and to maintain the vitality of economic growth. In this process, Macau can also assist some mainland developing small and medium-sized enterprises to invest overseas. Macao is not very important in the whole initiative, which is determined by its economic strength and factor endowment. However, Macau's historical and cultural factors and geographical conditions may play a certain role in the "21st Century Maritime Silk Road". Based on the thinking of the "Belt and Road" and the reality of Macau, Macau currently needs to make a series of preparations for the development opportunities of the "Belt and Road".

Assuming that one belt, one road, is to be developed in Macau to optimize its economic development pattern, the following is the following.

"The Belt The Road" SWOT analysis, attempts to identify Macau's strengths and weaknesses and opportunities and challenges in the future development, especially in the "one belt and one-way" framework.

On the whole, Macau's advantage is that it has an independent legal, monetary and financial system and has won the support of most countries and regions in the world District identity; Funds and goods can enter and leave freely, and a low tax rate policy is implemented to attract foreign investment; One belt, one road to Macau, is rich in cultural heritage resources. This is a favorable factor for its participation in the Belt and Road Initiative. The unique Portuguese culture will enable Macau and Lusofonias to do business and cultural exchanges more smoothly in Asia, Africa, and even Latin America. In addition, one belt, one road, has been accumulated in Macao's booming gaming industry over the past few years and has enhanced its economic strength in the "one belt and one-way" investment.

The weakness of Macau is mainly reflected in the constraints of external environmental factors on the export-oriented economy. In addition, the level of human capital has always been.

The obstacles to the development of high value-added industries in Macau have improved with the continuous development of higher education in recent years. However, there is still a need to bring in senior, experienced management talent from outside the country. Macau's industry is seriously inclined toward gambling and related tourism, and the structural imbalance also increases The economic form is unitary, the fluctuation range is relatively large due to external influence, and the legal system is not particularly sound. The majority of enterprises in the industry lack development direction due to various factors and fail to play a leading role in economic development. Macau also has many opportunities for future development, including the central government positioning it as a "World Tourism and leisure center".

Through Hengqin Island's regional cooperation between Macao Special Administrative Region and China mainland, is conducive to Macau's expansion of economic development space; Have good contacts with Portuguese-speaking countries and has the conditions to serve as a platform for economic and trade between the mainland and these countries; The challenge of BRI in Macau is mainly from the economic development of the mainland provinces, which have increasingly been able to engage in high-level economic and trade activities with other countries and regions. If Macau does not catch up, it may lose its advantage as an export-oriented economy. At the same time, the development of Macau's surrounding economies, including its gambling industry, also has a direct impact on Macau's economy.

### **3. Prospects for One Belt, One Road, Portuguese Speaking Countries and Macau SAR's Response**

#### **3.1. Establish the Database of Countries and Provinces Along the Line and the Committee of Government, Industry and University Linkage**

The "BRI" provides more opportunities for people-to-people connections between China and Portuguese-speaking countries. Through a series of academic and cultural exchanges, public diplomacy activities and construction aid projects, the mutual understanding and social cognition among the people has been enhanced. Based on similar cultural and historical traditions, Macau has played an important role as a link, providing a strong impetus for the in-depth cooperation between the two sides in various fields through the exchange of talent market and other methods.

The entire "Belt and Road" initiative involves 18 provinces, autonomous regions, municipalities directly under the Central Government and 65 countries along the route. The total population of these countries and regions accounted for more than 60% of the world's total, and the total economic volume is about 30% of the world's. According to the standards and data of the World Bank, more than 70% of the population of countries along the "Belt and Road" are concentrated in low-income countries and lower-middle-income countries. Many countries have relatively poor infrastructure conditions and relatively simple industrial structures (Malik et al., 2021). However, the economic shares of lower-middle-income countries and upper-middle-income countries account for more than 30% and 20% of these countries, respectively. Macau wants to participate in investment in some of these countries and regions, or to guide these countries and regions to invest in Macau, or to assist mainland enterprises to invest in these countries and regions. Entrepreneurs need a lot of basic data, business data, and business data from these dozens of countries and regions. Investment analysis and other information. Therefore, the construction of the "Belt and Road" database should be the first step for Macau to respond to this initiative.

#### **3.2. Establish a "One-stop" Business and Financial Service Platform for Portuguese Speaking Countries**

At the level of policy communication, the rhythm of close communication between the governments of China and Portuguese-speaking countries has been continued and strengthened, and the strategic partnership has been further deepened. In the field of trade, China has become one of the most important partners of almost all Portuguese-speaking countries (Cheung & Hong, 2018). Under the global economic downturn, countries can get on the high-speed train of China's development and enjoy the dividends brought by China's economy. In terms of funds, financing channels between China and other countries are more diversified. Brazil, Angola and other Portuguese-speaking countries have become important markets for Chinese companies to go global. From 2010 to 2017, China provided more than 400 interest-free loan projects to Portuguese-speaking countries in Asia and Africa. In the context of the weakening of global financial liquidity, it provided financial assistance for its economic and social stable development.

Macau has a certain foundation as a business platform for Portuguese-speaking countries. The Macau Trade and Investment Promotion Agency plans to set up representative offices in Lisbon, Portugal and Sao Paulo, Brazil in 2016 to assist Macau and mainland enterprises to invest locally. In recent years, the Portuguese-speaking countries trade and investment workshops held in Macau have not only attracted the participation of Macau companies, but also attracted many mainland companies, especially those from Zhuhai, Foshan, Jiangmen and other places in Guangdong Province. Through the "China-Portuguese-Speaking Countries Economic and Trade Cooperation and Talent Information Network", business representatives can not only obtain

regularly updated economic and trade data, laws and regulations of Portuguese-speaking countries, but also find the professionals they need on the website, such as translators, accountants, lawyers, etc. In the future, Macau can be further strengthened as a financial platform for Portuguese-speaking countries, and the region can be developed into a financing platform and the RMB clearing platform for Portuguese-speaking countries. Business services and financial services cooperate with each other to build Macau into a "one-stop" business service center for Portuguese-speaking countries. Information, business services and financial services for Portuguese-speaking countries can be found here, and transactions can also be conducted in RMB. Financial intermediaries are often the lubricant to promote the economic development of a place. In the past decade or so, the development of the gaming industry has largely relied on financing from other places, and Macau's financial intermediaries have not really performed their due functions. With the growing scale of the local economy, the rapid and healthy development of local banks will create favorable conditions for further promoting the development of financial services in Macau.

#### 4. Conclusion

To sum up, after the Fifth Ministerial Conference of the Macau Forum, the "Belt and Road" was written into the newly signed "Program of Action for Economic and Trade Cooperation" in 2016. In the future, this "golden key" will bring more results for China, Portuguese-speaking countries, and the world as a whole. Generally speaking, one belt, one road, is the best opportunity for Macau's economy to develop in a high-quality direction. The current crisis of Macau's strength and weakness is all there. As mentioned before, the one belt, one road initiative, maybe the largest macro development concept since the reform and opening up, which may have a profound impact on the economic growth and development of the mainland in the next few decades. Macau should seize one belt, one road, the development opportunity of the twenty-first Century Maritime Silk Road, strengthen economic and trade activities in South Asia and Southeast Asia countries and regions, and promote the appropriate diversification of Macau's economy. At this stage, one should understand the opportunities one belt, one road, and adjust the mentality to meet the new challenges in Macau society. One belt, one road, one belt, and one road to Macau, should be a positive participants. The world will be better got by BRI and Macau will further move towards the world. "Macau is a new way for the world to go further."

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