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HOW TO RELATE WITH A COLONIAL POWER ON ITS SHORE: MACAU IN THE CHINESE FOREIGN POLICY, 1949-1965

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Abstract

With the imminent takeover of power by the Chinese Communist Party (CCP) in mainland China in 1949, Portuguese decision-makers in Macau and Portugal feared the collapse of the tiny enclave, and thus the beginning of the end of the Portuguese Empire. However, this bleak scenario did not materialise. The aim of this paper is to analyse the reasons behind this longevity – mainly, during the first decade-and-a-half of Mao Zedong’s regime, when the leadership of the People’s Republic of China (PRC) held officially to a rather strong revolutionary, anti-colonialist and anti-imperialist posture.

Resumo

Aquando da iminente tomada de poder pelo Partido Comunista Chinês (PCC) na China Continental em 1949, os decisores portugueses em Macau e em Portugal temeram pelo colapso do exíguo enclave e a precipitação do princípio do fim do império português. Porém, este cenário pessimista não se concretizou. O objectivo deste trabalho é analisar as razões subjacentes à longevidade da presença portuguesa – nomeadamente, durante o primeiro decénio e meio do regime de Mao Zedong, quando a liderança da República Popular da China oficialmente reivindicava uma orientação política revolucionária, anticolonialista e anti-imperialista.

要約

1949年に生じた、中国本土における中国共産党による急激な政権獲得により、マカオのポルトガル当局とポルトガル本国は、「ポルトガル帝国の終焉のはじまり」を意味する、その狭小な飛び領土の喪失の危機に直面した。しかしながらその計画はすぐには実現しなかった。本稿の目的は、

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主に毛沢東政権の最初の15年間、すなわち中華人民共和国政権が革新的な方向性にあり、アンチ植民地主義、アンチ帝国主義を主張していた時期に、ポルトガル人の存在が延長を許された背景を分析することにある。

Keywords:

Status quo, regime consolidation, Korean war, “People’s Diplomacy”, Sino-Soviet Rift; Sino-Portuguese Relations, western trade embargo

Status quo, *consolidação do Regime*, “*Diplomacia Popular*”, *Dissídio Sino-Soviético*, *Relações Sino-Portuguesas*, *Embargo comercial ocidental*

社会体制, 政権の安定, 民間外交, 中ソ分裂, 中ソ関係, 西洋諸国の貿易妨害

Chinese foreign policy towards Macau up to the 19 December 1999 reversion always aimed at sustaining the *status quo* in this city-state, perched off its southern coast. In other words, it tried to secure the maintenance of the Portuguese administration and to reinforce the intermediary role played by the enclave’s Chinese business elite. This attitude was adopted with the aim of extracting the maximum political, trade, economic and financial benefits that the enclave generated for the Chinese leadership. This overall policy goal was established in February 1949, i.e., 8 months before the CCP took power in mainland China. On the other hand, the Chinese authorities had to resort to the local Chinese business elite owing to the fact that the right-wing Portuguese authoritarian regime of António de Oliveira Salazar¹ staunchly refused the 1949/1950 and the 1954/1955 Chinese proposals to establish relations between the two countries.²

Our main aim is to analyse the measures taken by Beijing to maintain the *status quo* in Macau, the principal underlying reasons for this attitude, the impact of the “people’s diplomacy” posture towards Macau, and how the latter was exploited politically by Moscow during the Sino-Soviet rift.

1 Portuguese dictator from 1932 until 1968, that is, for 36 years. António Costa Pinto, ed., *Contemporary Portugal: Politics, Society and Culture* (Boulder: Social Science Monographs, 2003), p. 30.

2 Moisés Silva Fernandes, “Macau nas relações sino-portuguesa, 1949-1979” (“Macau in Sino-Portuguese Relations, 1949-1979”), *Administração/Xingzheng* (Macau), Vol. 12, No. 46 (December 1999), pp. 990-993.

1. Beijing preferred maintaining of the *status quo* in Macau

Even before they took power in mainland China, the Chinese leadership outlined a policy towards Macau and Hong Kong and decided that the *status quo* should be kept in place. This foreign policy goal was adopted in order to avoid a confrontation with the West, especially with the USA, and to maximize Chinese political, economic, financial, trade and intelligence interests in the two Western-administered city-states and abroad.

The crucial decision on this matter was taken quite before the People's Liberation Army (PLA, 中国人民解放军) moved towards the southern part of the country. Between 1 and 3 February 1949, a series of secret meetings took place between the Central Secretariat of the CCP, headed by Mao Zedong, and Anastas Mikoyan, then Soviet Transport Minister, member of the Central Committee of the Soviet Communist Party, and special envoy of the Soviet dictator Stalin (1928-1953) in Xibaibo, Hebei province. During these meetings, Mao argued that the CCP would win the civil war, that the Americans would not intervene in the conflict, and that after the eradication of all vestiges of imperialism in China they planned to begin establishing equitable diplomatic relations with foreign powers. For Mao, the elimination of all the privileges that the "imperialists" enjoyed in China, the payment of all debts they had with "New China", and the exodus of all foreign troops and militias were his regime's great priorities in foreign policy. However, in relation to Macau and Hong Kong, the Chinese leadership argued with Stalin's envoy that it was "necessary to adopt more flexible solutions or a peaceful transition policy, which shall require more time. According to this opinion, an ill-judged solution to the questions of Hong Kong and Macau would not make any sense. On the contrary, maybe it will be more advantageous to exploit these territories' *status quo*, above all Hong Kong, to develop our relations abroad and to foster our imports, through them".³ This decision was highly important if we take into consideration the fact that the emerging regime decided to expel all foreigners from China in 1949 and did its utmost to eliminate the Western commercial, financial, and economic presence in China, Shanghai being the most paradigmatic case.⁴

Five months later, Mao Zedong made an important speech in which he outlined the emerging regime's guidelines for relations with foreign powers. In the speech delivered before the members of the preparatory meeting of

3 Shi Zhe, *Zai lishi juren shenbian: Shi Zhe huiyilu (Near Great Historical Personalities: The Memoirs of Shi Zhe)* (Beijing: Zhongyang wenxian chubanshe, 1991), p. 380.

4 Beverly Hooper, *China Stands Up: The End of Western Presence, 1948-1950* (Sydney, NSW, Allen & Unwin, 1986), pp. 7-28.

the new Consultative Political Conference, which met in Beijing on 15 June 1949, the Chinese leader proclaimed “to the whole world that what we oppose is exclusively the imperialist system and its plots against the Chinese people”.⁵ However, the new Chinese leadership was “willing to discuss with any foreign government the establishment of diplomatic relations on the basis of the principles of equality, mutual benefit and mutual respect for territorial integrity and sovereignty, provided it is willing to sever relations with the Chinese reactionaries, stops conspiring with them or helping them and adopts an attitude of genuine, and not hypocritical, friendship towards People’s China. The Chinese people wish to have friendly co-operation with the people of all countries and to resume and expand international trade in order to develop production and promote economic prosperity”.⁶

Following this address, the Trade Department of the CCP created the Nam Kwong Trading Company (*Sociedade Comercial Nam Kwong, Nam Kwong maoyi gongsi*), on 28 August 1949, with the official goal of promoting trade ties between Macau and mainland China and vice-versa.⁷ Nonetheless, this company owed its existence to the fact that it operated as the unofficial representative and “shadow government” of the People’s Republic of China in Macau in relation to the Portuguese administration, disputed the functions of the Special Commissariat of the Ministry of Foreign Affairs of the Republic of China (Formosa/Taiwan)⁸ in the city-state, until 1965, and the *Guomindang* (國民黨) branch, up to the Cultural Revolution, in 1967, and acted as Beijing’s top trade organization in the enclave. To head this company the Chinese

5 Mao Zedong, *Selected Works*, Vol. 4 (http://www.marxists.org/reference/archive/mao/selected-works/volume-4/mswv4_64.htm). Mao Zedong repeated this offer in his opening address to the first plenary session of the Chinese People’s Political Consultative Conference, which met in Beijing on 21 September 1949. He added that “[f]rom now on our nation will belong to the community of the peace-loving and freedom-loving nations of the world and work courageously and industriously to foster its own civilization and well-being and at the same time to promote world peace and freedom. Ours will no longer be a nation subject to insult and humiliation. We have stood up. Our revolution has won the sympathy and acclaim of the people of all countries. We have friends all over the world”, Mao Zedong *Selected Works*, Vol. 5 (http://www.marxists.org/reference/archive/mao/selected-works/volume-5/mswv5_01.htm).

6 *Ibid.*

7 Nam Kwong, *Nam Kwong sihi nyan / The Forty Years of Nam Kwong, 1949-1989* (Macau, Nanguang [jituan] youxian gongsi, 1989), p. 53.

8 This office was established in Macau on 24 November 1945 by the *Guomindang* (國民黨) regime. Officially it dealt with consular matters such as issuing passports, visas, and related consular documents. However, up to the mid-1950s it was one of the main interlocutors with the Portuguese administration besides the unofficial representative of mainland China’s interests in the enclave: the *Nam Kwong* Trading Company. Moisés Silva Fernandes, “Macau nas relações sino-portuguesa, 1949-1979” (“Macau in Sino-Portuguese Relations, 1949-1979”), *Administração/Xingzheng* (Macau), Vol. 12, No. 46 (December 1999), pp. 993-994.

government appointed O Cheng-ping,⁹ the youngest brother of Dr. O Lon, clinical director of the Macau Kiang Wu Chinese Hospital since 1936, and first secretary of the Macau branch of the CCP.¹⁰

To persuade the Macau Portuguese administration and the central government back in Lisbon of China's interest in maintaining the *status quo* in the city-state, the new Chinese authorities made use of at least three channels: Dr. O Lon, Commandant Uong Iok, and Carlos Basto.¹¹ During the mop up operations in Guangdong province by the PLA (中国人民解放军), in October 1949, the new politico-military leaders gave political assurances to the Macau Portuguese administration that the status would be kept. Ten days after having officially set up the Military Affairs Control Commission (*Comissão de Controlo dos Assuntos Militares, Junshi guan zhi wei yuan hui*), in Guangzhou, its head, General Ye Jianying, appointed, on 27 October 1949, Dr. O Lon: "to treat discreetly with our authorities all matters which are of particular interest between Macau and Guangzhou".¹²

On the other hand, in an attempt to appease the Portuguese administration and the anxious inhabitants of the territory, Commandant Uong Iok, chairman of the politico-military administrations of Shiqi city and Zhonghsan Island, gave a conciliatory interview to the largest Macau Chinese-language daily.

9 O Cheng-ping had a profound political knowledge of the region. In 1930 he established a pharmacy in Hong Kong "to cover up his revolutionary activities" in favour of the CCP. After the Guangzhou occupation by the Japanese, on 21 October 1938, O Cheng-ping became a member of East River (*Rio Oriental, Dongjiang*) Guerrilla Force, headed by Zeng Sheng, between 1937 and 1949. Ezra F. Vogel, *Canton Under Communism: Programs and Politics in a Provincial Capital, 1949-1968* (Cambridge: Harvard University Press, 1969), p. 93. In 1943 he was sent to Macau "to set-up a work station [...] to provide information and military supplies to the guerrilla detachment". Iok Lan-fu Barreto, ed., *Macau Durante a Guerra Sino-Japonesa, Macau during the Sino-Japanese War* (Macau: The Cultural Institute and The Museum of Macau, 2002), p. 163.

10 Moisés Silva Fernandes, "A evolução das relações luso-chinesas entre 1949 e 1999" ("The Evolution of Portuguese-Chinese Relations Between 1949 and 1999") in *A Reforma do Estado em Portugal – Problemas e Perspectivas: Actas do I Encontro Nacional de Ciência Política* ("Proceedings of the 1st Convention of the Portuguese Political Science Association") (Lisbon: Editorial Bizâncio, 2001), p. 87.

11 The Macanese Carlos Basto spoke Chinese and worked for the Chinese Maritime Customs Service at Lapa (*Wanzai*) Island located right in front of Macau's Inner Harbour (*Porto Interior, Neigang*). Despite the assurances provided by the CCP, he left the Portuguese-administered enclave shortly afterwards to become a top manager in a leading Portuguese corporation. Jorge Forjaz, *Famílias Macaenses* ("Macanese Families"), Vol. 1 (Macau: Fundação Oriente, Instituto Cultural de Macau and Instituto Português do Oriente, 1996), p. 481.

12 "Secret telegram No. 117 from the Governor of Macau, Albano Rodrigues de Oliveira, for the Colonies Minister, Teófilo Duarte, 27 October 1949", AOS/CO/UL-10A3, Pt. 4, 1.^a Sbd. (5), fl. 236, Portuguese National Archives (AN/TT), Lisbon.

In the statement made to the journalist Luís Chan¹³ of the *Masses Daily* (*Diário das Massas, Dazhong bao*), on 9 November 1949, Uong Iok stated that:

“The People’s Liberation Army is not an occupation force; therefore, the position of neighbouring Macau shall be fully respected. We hope also that the Macau Government will respect the PLA. (...) We have not sent troops to the border region between Macau and China or to the neutral zone between Portugal and China. This demonstrates clearly that the PLA troops stationed in Zhongshan district respect absolutely the behaviour of the Government of our neighbouring territory”.¹⁴

To avoid fortuitous disagreements between the new Chinese authorities and the Portuguese administration resulting from the mop up operations by the PLA (中国人民解放军) against the *Guomindang* (國民黨) in the vicinity of Macau Uong Iok, sent a message to the Portuguese administration through Carlos Basto, Portuguese deputy commissioner of the Chinese Maritime Customs Service at Lapa (*Wanzai*) Island, to the Governor of Macau, Navy Commander Albano Rodrigues de Oliveira, with the policy of the Chinese authorities towards Macau and Portugal. According to it:

“First, the Chinese communist authorities shall respect Macau’s neutrality and no PLA member will attempt to enter our colony in uniform. Second, fluvial and other links between Macau and China will continue as before, the Chinese authorities expect though that we treat well the Overseas Chinese and that we do not forbid orderly and peaceful demonstrations exalting the Chinese Revolution. Third, the Portuguese authorities who wish to visit China can do it and they shall be welcomed”.¹⁵

13 Leading member of the Macau Secretariat’s of the Chinese Communist Party. “Some Facts About the Actual Political Situation in Zhongshan District’ Report by the British Consul in Macau, H. Rabetts, 7 November 1947, p. 5”, CO 537/3720, United Kingdom National Archives (UKNA), London.

14 “A Posição de Macau Será Respeitada” (“Macau’s Position Shall be Respected”) transcript of the interview granted by Uong Iok, chairman of the politico-military administration of Shiqi city and Zhongshan Island, to the journalist Luís Chan of the Macau Chinese-language *Masses Daily* (*Diário das Massas, Dazhong bao*), on 9 November, published next day by the Chinese daily, and on 11 November in the Portuguese-language daily *Notícias de Macau*, Year 3, No. 656 (11 November de 1949), p. 3.

15 “Telegram No. 157 from the *chargé d’affaires* of the Portuguese Legation in China (Macau), João Rodrigues Simões Affra, for the Foreign Affairs Minister, Caeiro da Mata, 11 November 1949, pp. 1-2”, 3.º P., A. 10, M. 45, 3.º vol., Portuguese Historic-Diplomatic Archives (AHDMNE),

All these initiatives were a great political relief for the Portuguese administration, the Portuguese central government, and all three communities in Macau (Chinese, Macanese, and Portuguese), since they were aware of what had happened to the Macanese community in Shanghai.¹⁶ A week before the occupation of one of the most cosmopolitan cities in the world by the PLA (中国人民解放军), on 25 May 1949, a group of 130 Macanese, mainly the sick, women, and children, were evacuated by airplane to Hong Kong.¹⁷ By 1952, the Macanese community in Shanghai had dropped to less than 200 persons. According to an internal memorandum of the Portuguese Foreign Office, the number of Macanese repatriated to Macau reached 558. Afterwards, due to the lack of proper economic and social conditions in the enclave, the vast majority emigrated to Japan, Thailand, Burma, and a very small number to Portugal.¹⁸

The massive exodus by the Shanghai Macanese community in the first semester of 1949 instilled fear in Macau and amongst Portuguese decision-makers in Lisbon that the territory would have a similar fate. This apprehension intensified when students and commercial workers' unions demonstrated in Guangzhou on 18 November 1949, demanding the return of Macau to China.¹⁹ This event obviously placed some pressure also on the new Chinese government to put an end to the Portuguese presence in Macau.

Although the PRC and the PLA (中国人民解放军) were not interested at all in the latter outcome, the Portuguese central government reinforced the Macau garrison with 6,000 troops.²⁰ The security concern over Macau was expressed by the Portuguese Premier in a speech delivered to the candidates

Lisbon; "Secret telegram No. 131 from the Governor of Macau, Albano Rodrigues de Oliveira, for the Colonies Minister, Teófilo Duarte, 11 November 1949", AOS/CO/UL-10A3, Pt. 4, 1.^a Sbd. (5), fls. 254-255, Portuguese National Archives (AN/TT), Lisbon.

16 Shanghai's Macanese community was made up of nearly 2,000 persons. In spite of this city's occupation by the Japanese between 1937 and 1945, no major changes took place in the number of Macanese living in China's "capital of sin" due to the fact that the Japanese authorities forbade their evacuation to Macau. Manuel Teixeira, "Macau durante a Guerra" ("Macau during the War"), *Boletim do Instituto Luís de Camões* (Macau), Vol. 15, Numbers 1 and 2 (Spring and Summer 1981), p. 35.

17 Eduardo Brasão, *Memorial de D. Quixote* ("D. Quixote's Memorial") (Coimbra: Coimbra Editora, 1976), pp. 256-274; Moisés Silva Fernandes, *Sinopse de Macau nas Relações Luso-Chinesas, 1945-1995: Cronologia e Documentos* ("Synopsis of Macau in Portuguese-Chinese Relations, 1945-1995: Chronology and Documents") (Lisbon: Fundação Oriente, 2000), p. 61.

18 "Internal memorandum of Franco Nogueira, 19 October 1952", PEA, 2.º P., M. 156, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

19 "Demand Return of Macau to China", *North China Daily News* (Shanghai) (20 November 1949).

20 Maria Manuela Cruzeiro, *Costa Gomes: O Último Marechal* ("Costa Gomes: The Last Field Marshal") (Lisbon: Editorial Notícias, 1998), pp. 31-38.

of the regime's ruling party, the *National Union (União Nacional, Guomin tongmeng)*, at the Library of the National Assembly, on 20 October 1949. According to António de Oliveira Salazar:

“The three biggest facts about Asia today are the appearance of two great Hindustani States, the changes which will occur in China following the Communist takeover, and the emergence of Indonesia. Goa is geographically located in India, Macau is incrustated in Chinese territory, and Timor is next door to Indonesia. From here derive our concerns, if not our present quandary. Ultimately, force will not be sufficient to prevail; it is difficult to ascertain if reason will be enough to avoid violence and to encounter a path of respect for the rights and for the conciliation of interests”.²¹

However, Mao Zedong's pacifist and pro-*status quo* attitude taken towards Macau led the Chief of Defence Staff of the Macau Portuguese garrison, Captain Francisco da Costa Gomes, to reduce by half the reinforcements sent by Lisbon,²² between the end of 1949 and 1951.²³

The drop in the number of Portuguese troops stationed in Macau made all sense: it converged with Beijing's general orientation to maintain the *status quo* in the territory. When the Macanese businessman José Maria Braga, a former British intelligence agent in Macau during World War II, came on holiday to Portugal in November 1951, he brought a message to the Portuguese Overseas Minister, Navy Commander Sarmento Rodrigues, from Zhang Naiqi, member of the Board of Directors of the Bank of China and deputy chairman of the All-China Chamber of Industry and Commerce,²⁴ which reconfirmed Mao Zedong's commitment to the *status quo* policy. Prior to his departure from Hong Kong, he had held secret talks with Zhang Naiqi about Macau and Sino-Portuguese relations. During these meetings, the latter told him that the Chinese central government “wanted to preserve the

21 António de Oliveira Salazar, *Discursos e Notas Políticas, 1943-1950* (“*Political Speeches and Remarks, 1943-1950*”), Vol. 4 (Coimbra: Coimbra Editora), 1951, p. 446.

22 Salazar's original intent was to send 12,000 troops. Nonetheless, the Governor of Macau, Navy Commander Albano Rodrigues de Oliveira, was against “the expedition because he considered that if Mao Zedong wanted to take back Macau it would be rather easy, and it did not matter if we could send 6,000 or 12,000 troops, or even the entire Portuguese Armed Forces”. Maria Manuela Cruzeiro, *Costa Gomes: O Último Marechal* (“*Costa Gomes: The Last Field Marshal*”) (Lisbon: Editorial Notícias, 1998), p. 32.

23 *Ibid.*, p. 33.

24 Wolfgang Bartke, *Who Was Who in the People's Republic of China*, Vol. 2 (Munich: Saur, 1997), p. 622.

best trade relations with Macau".²⁵ According to José Maria Braga, Zhang Naiqi's statement should be taken seriously due to the fact that he had a special relationship with the Chinese Premier, Zhou Enlai.²⁶

2. Regime consolidation, economic rehabilitation, and the Korean War

The pro-*status quo* policy of the new Chinese regime towards Macau and Hong Kong was reinforced by three underlying policy reasons. First, the urgent need to consolidate in power the new political regime. Second, to proceed as soon as possible with China's economic recovery program. Third, to shatter the Western-led embargo in "strategic materials" against China, put in place after Beijing's intervention in the Korean War.

The key concern of any new regime is to consolidate the power which it has gained.²⁷ In the case of the CCP, its establishment in Guangdong was rather difficult. The Chinese leadership, especially Mao Zedong, predicted in 1948 that it would take around 5 years to gain full control of south China.²⁸ However, the *Guomindang's* collapse was so swift that the PLA (中国人民解放军) was able to reach Guangdong in October 1949. Considering that Guangzhou was one of the last major cities to come under the control of the CCP, its leaders were not "adequately prepared for the enormous burdens they assumed in Canton".²⁹ To overcome this dilemma, the CCP proceeded to gain control through peaceful means – mainly, the co-optation of various figures from *Guomindang* (國民黨) to consolidate its power. In part, General Ye Jianying was appointed CCP party boss and government leader in Guangdong due to "his ability to command support from former *Guomindang* followers".³⁰

The second reason is related to China's "economic recovery" after the civil war, which took place between 1950 and 1952. The new regime had as one of her main goals to restore domestic production and to stabilise the price

25 "Confidential memorandum sent by the Overseas Minister, Navy Commander Sarmento Rodrigues, to the Foreign Affairs Minister, Paulo Cunha, 17 November 1951", PAA M. 130, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

26 *Ibid.*

27 Barbara G. Salmore and Stephen A. Salmore, "Political Regime and Foreign Policy" in *Why Nations Act: Theoretical Perspectives for Comparative Foreign Policy Studies*, Maurice A. East, ed., et al. (London: Sage Publications, 1978), p. 103.

28 Ezra F. Vogel, *Canton Under Communism: Programs and Politics in a Provincial Capital, 1949-1968* (Cambridge: Harvard University Press, 1969), p. 43.

29 *Ibid.*

30 *Ibid.*, p. 54.

of products. The aim was to provide minimal conditions for the planning and execution of the First Plan, envisaged to take place between 1953 and 1957.³¹

The pro-*status quo* policy was reinforced with China's intervention in the Korean War on 25 October 1950. The maintenance of this policy became crucial for the survival of the Chinese regime. In a six-week period, key Western powers – namely, the USA and Canada – imposed a trade embargo against mainland China.³² Afterwards, the United Nations agreed and other Western powers joined efforts within the ultra secret COCOM³³ to draft three long international lists that forbade the export of “strategic materials” to China. This international regime contributed to the enhancement of Macau's and Hong Kong's status before the Chinese leadership and strengthened the policy defended by Mao Zedong and the CCP's Central Secretariat before Anastas Mikoyan, in February 1949.

In the meantime, Macau's Chinese elite, which was quite experienced in the contraband business, was naturally inclined to collaborate with China's efforts to violate the Western embargo. During World War II and the Chinese civil war the Macau business elite collaborated with all sides in illicit business.³⁴ On the other hand, they were aware that the Portuguese

31 Gene T. Hsiao, *The Foreign Trade of China: Policy, Law, and Practice* (Berkeley: University of California Press, 1977), p. 10.

32 Moisés Silva Fernandes, *Sinopse de Macau nas Relações Luso-Chinesas, 1945-1995: Cronologia e Documentos* (“Synopsis of Macau in Portuguese-Chinese Relations, 1945-1995: Chronology and Documents”) (Lisbon: Fundação Oriente, 2000), pp. 92-93; Shu Guang-zhang, *Economic Cold War: America's Embargo Against China and the Sino-Soviet Alliance, 1949-1963* (Washington, DC: Woodrow Wilson Center Press, 2001), pp. 30-31; Flora Bertizzolo, “Macau Nelle Relazioni Tra La Repubblica Popolare Chinese, il Portogallo e Gli Stati Uniti (1949-1955): Pragmatismo e Guerra Fredda” (“Macau and its Relations with the People's Republic of China, Portugal, and the United States, 1949-1955: Pragmatism and Cold War”) (B.A. thesis in East Asian Political and Diplomatic History, “Cesare Alfieri” School of Political Science, University of Florence, 2003), pp. 38-43.

33 COCOM (*Coordinating Committee for Multilateral Export Controls*), was highly secretive bureau created within NATO, in November 1949, which oversaw the international embargo regime against the Soviet Union, Eastern Europe and mainland China. This committee was made up by nearly all NATO's member-states, except Iceland and Japan. The latter became a member in 1952. Portugal became a member on 30 April 1951, after an invitation by the British government. Moisés Silva Fernandes, “Enquadramento das relações luso-chinesas entre 1949 e 1966” (“Framework for the Analysis of Portuguese-Chinese Relations, 1949-1966”), *Administração/Xingzheng* (Macau), Vol. 11, No. 40 (June 1998), p. 306.

34 Fu Tak-iam, Ko Ho-neng, Chong Chi-kong, and Y. C. Liang (梁昌) were leading Macau businessmen closely associated with Ho Yin (何贤, He Xian). All of them, including the latter, had been deeply involved in smuggling activities during the Japanese occupation of China. For example, Fu Tak-iam, the owner of the gambling syndicate, from 1933 to 1961, was condemned to death by the Guangdong High Court after the war for collaboration with the Japanese occupation forces. Somehow, during the Chinese civil war he managed to get a new court ruling declaring him innocent. To ensure that this judgement would be well-known in Macau and Hong Kong he placed advertisements in the local press with the court's new verdict.

administration was quite dependent on the revenues gained from smuggling for its annual budget.

Very quickly Macau became a heaven for the importation of western “strategic materials”, which China needed. Important materials such as rubber, steel, copper, tires, car parts, gasoline, lubricants, and transport and electronic equipment were sent to mainland China. For example, Nationalist intelligence sources told the *Bangkok Post* that *Nam Kwong* Trading Company controlled enormous storehouses in the northern part of the Macau peninsula, near Green Island (*Ilha Verde, Qingzhou*) where they kept oil, rubber, scrap-iron, tires, car parts, chemical products, and other “strategic materials” mentioned in the international lists. These activities were confirmed by Kenneth R. Hansen, consultant for the Subcommittee on Export Controls and Policies of the United States Senate, who had visited Hong Kong, Macau, Japan and Korea in 1951.³⁵ This policy was being pursued due to the fact that, according the Taiwanese intelligence reports:

“The Chinese communist leader Mao Zedong recently instructed Guangdong Province Governor Ye Jianying to purchase airplane engines, motor vehicles, gasoline, tires, medical products and communications equipment in Hong Kong and Macau, according to unofficial reports released here yesterday”.³⁶

Effectively, between 1950 and 1952, Macau and Hong Kong were China’s second largest foreign trading partner, after the USSR, as can be seen in Table 1.

TABLE 1
PRC’s main foreign trade partners, 1950-1952
(as percentage of total foreign trade)

Years	USSR	HK and Macau	UK	Poland	France	Other
1950	29,81	14,42	6,48	0,58	0,51	48,20
1951	41,35	31,93	1,79	2,56	0,24	22,13
1952	54,82	15,65	1,33	2,49	0,13	25,58

SOURCE: Shu Guang-zhang, *Economic Cold War: America’s Embargo Against China and the Sino-Soviet Alliance, 1949-1963* (Washington, DC: Woodrow Wilson Center Press, 2001), pp. 282-295.

Moisés Silva Fernandes, *Sinopse de Macau nas Relações Luso-Chinesas, 1945-1995: Cronologia e Documentos* (“Synopsis of Macau in Portuguese-Chinese Relations, 1945-1995: Chronology and Documents”) (Lisbon: Fundação Oriente, 2000), p. 53.

35 James Daniel, “Study of Red China Embargo Uncovers Dangerous Leaks: Vital War Goods – Even American – Is Getting Thru, Senate Told”, *Memphis Press* (17 September 1951), p. 13.

36 “Telegram from Taipei”, *Japan Times* (6 December 1950), p. 4.

In Macau's specific case, these activities were recognised by *Nam Kwong* Trading Company. The firm's official book designed to celebrate her 40th anniversary, published in August 1989, praised its past functions in breaching the Western-led embargo against China in the 1950s. According to it:

“Early at its founding, the company got very few export business to handle, instead, through an individual way of trading, it mainly dealt with the purchase of special goods and materials required specifically by circumstances in mainland China at that time (*sic*)”.³⁷

While the government of Hong Kong was, in part, successful in gradually curtailing these illicit acts due to the enormous pressure applied by Washington and London³⁸ Macau continued to allow these activities. The pretext invoked by the Portuguese administration was that without these transactions the neighbouring Chinese district of Zhongshan would not supply the territory with foodstuffs, according to Macau's Government Economic Director, the Timorese Pedro José Lobo.³⁹ This opinion was shared by the Portuguese Governor of Macau, Navy Commander Joaquim Marques Esparteiro. The latter sent an extensive secret official letter to the Overseas Minister, Navy Commander Sarmiento Rodrigues, arguing that:

“An enormous quantity of fuel oil has been going to China, slowly and gradually, enabling us to establish a true *modus vivendi*, which secures the importation, in the needed quantities, of an absolutely essential product – rice. It is the exchange of these products which allows Macau, in spite of being Portuguese, and therefore, foreign, to have had the luck to get a special treatment as a friendly territory by the government in Beijing regarding the supply of rice, while other foreign countries and territories have been definitely refused the supply of rice”.⁴⁰ (Underlined in the original text).

37 Nam Kwong, *Nam Kwong sihi nyan / The Forty Years of Nam Kwong, 1949-1989* (Macau: Nanguang (jituan) youxian gongsi, 1989), p. 50.

38 J. P. Jain, *China in World Politics: A Study of Sino-British Relations, 1949-1975* (New Delhi: Radiant Publishers, 1976), pp. 230-242.

39 Pedro José Lobo, *Bases e Processos da Economia de Macau (“Basis and Processes in Macau's Economy”)* (Macau: Repartição Central dos Serviços Económicos – Secção de Propaganda e Turismo, 1953), p. 15.

40 “Secret official letter No. 1050/145 from the Governor of Macau for the Overseas Minister, 29 December 1952, pp. 3-4”, 2.º P., A. 6, M. 406, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

With the goal of containing the blatant infringements to the embargo in Macau and to obtain more credible information about the “strategic materials” being sent to China, the British government invited the Portuguese authorities to join CHINCOM.⁴¹ In these two highly secret committees the Portuguese delegate, José Calvet de Magalhães had to endure “...for nearly five years (...) one of the most difficult diplomatic missions with which I was ever entrusted. The violations committed in Macau against the embargo were the subject of frequent complaints presented to COMCO by American delegates and sometimes by other delegates, namely the British, which were overall more persistent and tough”.⁴²

The diplomatic fallout that resulted from the blatant infractions were so many and reached such a preponderance in Macau that the Portuguese Foreign Office tried to negotiate an “exception regime” for the enclave within CHINCOM, and afterwards directly with the United States. As a result of the 1952 border conflict between China and Macau and the efforts to reinforce the trade embargo against China, the Portuguese government submitted to CHINCOM “an application for the authorisation of an exemption regime regarding certain exports to Communist China”,⁴³ on 19 December 1952. However, the strong opposition by some member-states of CHINCOM rendered the proposal unworkable.⁴⁴

Meanwhile, due to the implied exercise of the power of veto by Portugal in COCOM regarding the easing of British trade to the USSR, the United States’ government proposed, under some British pressure, negotiations with Portugal to set up an “exemption regime” for Macau. After having reached an understanding in Paris, an American delegation came to Lisbon in March 1954 to reach a final agreement on the planned “exception regime”. However,

41 The United States government was able to persuade key allies such as France, Canada, the United Kingdom, and Japan to set up a China Committee (CHINCOM) in late July and early August 1952. This new body worked closely with COCOM and had as its main task to coordinate the application of the trade embargo against mainland China. Shu Guang-zhang, *Economic Cold War: America's Embargo Against China and the Sino-Soviet Alliance, 1949-1963* (Washington, DC: Woodrow Wilson Center Press, 2001), p. 48; Moisés Silva Fernandes (2008), *Confluência de Interesses: Macau nas Relações Luso-Chinesas Contemporâneas, 1945-2005 (Confluence of Interests: Macau in Contemporary Portuguese-Chinese Relations, 1945-2005)* (Lisbon: Instituto Diplomático and Centro Científico e Cultural de Macau), pp. 141-179.

42 José Calvet de Magalhães, *Macau e a China no Após Guerra (“Macau and China After the War”)* (Macau: Instituto Português do Oriente, 1992), p. 78.

43 “Internal memorandum written by Adriano António de Carvalho, from the directorate-general of Economic Affairs of the Foreign Office, 28 October 1953”, PAA M. 130, Portuguese Historic-Diplomatic Archives (AHDME), Lisbon.

44 *Ibid.*

due to strong opposition from the Macau Portuguese administration and the Overseas Office, the negotiations failed.⁴⁵

Despite this outcome, the Portuguese Foreign Office continued to pursue an agreement with the United States on this issue. In a last attempt to find a compromise, Portuguese diplomats tried to negotiate an agreement in Paris in July 1954. Once again, however, the joint opposition of the Macau Portuguese administration and the Overseas Office made the talks inconclusive.⁴⁶ In short, the Western trade embargo against China and the permissive attitude of the Macau Portuguese administration towards this issue reinforced Beijing's interests in maintaining Portugal in the enclave.

Mainland China was so deeply committed to maintaining this policy, that it had repercussions in the regime's propaganda – namely, in the *Selected Works of Mao Zedong*. In spite of the fact that Mao Zedong and his supporters denounced imperialism and colonialism, in practice they demonstrated great flexibility. From 1952 onwards, the essay on the “Chinese Revolution and the Chinese Communist Party”, published in the *Selected Works of Mao Zedong*, dropped all the references to Macau and Portugal – namely the statement “that an insignificant country as Portugal has taken possession of our Macau”.⁴⁷ The new text said absolutely nothing. The editions made after 1952 until today never mentioned Portugal and Macau, including the ones written in Portuguese, despite their target being the Lusophone African liberation movements. This self-censorship was essentially aimed at hiding from the Chinese people-at-large the Portuguese presence in Macau and the obvious political contradiction: if China was so strong how come that it did not do away with the Portuguese on its southern shore?

45 “Internal memorandum on Portuguese-American negotiations to establish a *modus vivendi* in Macau, written by João Hall Themido, from the directorate-general for Political Affairs of the Foreign Office, 18 March 1954”, PAA M. 130, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

46 Moisés Silva Fernandes, *Sinopse de Macau nas Relações Luso-Chinesas, 1945-1995: Cronologia e Documentos* (“Synopsis of Macau in Portuguese-Chinese Relations, 1945-1995: Chronology and Documents”) (Lisbon: Fundação Oriente, 2000), pp. 122-125).

47 Mao Zedong (1948), *Selected Works* (in Chinese), Vol. 2, published by the Political Bureau of the Central Committee of the CCP in the liberated zones of Shaanxi, Hebei, Shandong, and Hunan. G. Astafiev and A. Dubinski, *Del Antiimperialismo al Antisocialismo: Evolución de la Política Exterior de Pekín*, translated from Russian to Spanish by Cesar Astor (Moscow: Editorial Progreso, 1975), p. 76; Mao Zedong, “The Chinese Revolution and the Communist Party of China”, *China Digest*, Vol. 5, No. 9 (22 March 1949), p. 21; Mao Zedong, “The Chinese Revolution and the Communist Party of China”, reprinted in *Current Background*, No. 135 (10 November 1951), p. 7.

3. Beijing reiterated its support maintaining the *status quo*

Mainland China's concern to maintain the Portuguese in Macau and to solve the territory's status in a distant future were clearly spelled out during two crises that took place in the enclave in the 1950s. The first was the 1952 border conflict, and the second the cancellation of the 4th centenary celebrations of Macau, in 1955.

Unhappy with the Portuguese government's overall acceptance of the Western policy to curtail the violation of the trade embargo in "strategic materials" against China, with the creation of CHINCOM, and the international rehabilitation of Japan, mainland China instigated the 1952 border conflict with Macau.⁴⁸ While the Western powers convened in Washington, mainland China precipitated a border conflict to upset the meeting.⁴⁹ In the meantime, Western powers pressured the Portuguese central government to approve legislation to strengthen the embargo against China. Under the instructions of the Overseas Minister, Navy Commander Sarmento Rodrigues, the Macau Portuguese administration published legislation imposing a very strict regime and created a Trade Co-ordination Commission (*Comissão Coordenadora do Comércio, Maoyi xietiao weiyuanhui*) to oversee the implementation on the ground of the new trade rules, on 23 January 1952. The latter had the power "to monitor and grant licences for imports, exports, and transshipments of merchandise products".⁵⁰

Shortly after, the Guangdong Province Chinese authorities reacted to this challenge. Two weeks later, the Governor of Macau, Navy Commander Joaquim Marques Esparteiro, sent a telegram to the Overseas Minister, Navy Commander Sarmento Rodrigues, to let him know that a meeting had taken place recently in Guangzhou between senior party and government officials from this Chinese province and leading Macau pro-Beijing businessmen. The latter were represented by Dr. O Lon, former clinical director of the Macau Chinese Kiang Wu Hospital and ex-first secretary of the Macau branch of the CCP, and Ma Man-kei, deputy chairman of the Macau Chinese Chamber of Commerce. These two persons advocated that no force should

48 Moisés Silva Fernandes (2008), *Confluência de Interesses: Macau nas Relações Luso-Chinesas Contemporâneas, 1945-2005* (*Confluence of Interests: Macau in Contemporary Portuguese-Chinese Relations, 1945-2005*) (Lisbon: Instituto Diplomático and Centro Científico e Cultural de Macau), pp. 141-179.

49 "Text of Recommendations Agreed at the Washington Five-Power Talks" in "Official letter No. 765 from the Ambassador of Portugal in London, Rui Enes Ulrich, to the Foreign Affairs Minister, Paulo Cunha, 11 August 1952", 2.º P, A. 6, M. 427, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

50 "Order by the Governor in Council No. 1207", *Boletim Oficial de Macau* ("Macau Official Gazette"), No. 3 (23 January 1952), pp. 31-32.

be used against Macau, while the remainder of Guangdong's Chinese leadership advocated the use of violence to teach the Portuguese a lesson.⁵¹

Right after the Portuguese Overseas Minister, Navy Commander Sarmiento Rodrigues, finished his thirteen-day official visit to Macau, the first ever by a Portuguese Cabinet Minister to the city-state, the Chinese precipitated a series of border conflicts with Macau.⁵² Between 25 and 31 July 1952 China politically and militarily pressured the Portuguese administration in Macau causing one dead and twenty injured on the Portuguese side, and two dead and nine wounded on the Chinese side.⁵³ Confronted with this violent *milieu*, the Portuguese Government appealed to its American and British counterparts and to several COCOM member-states, to ease the trade controls in Macau.⁵⁴

In the meantime, the Chinese showed an immediate interest in starting negotiations with representatives of the Macau Portuguese administration. After the Portuguese central government was able to persuade some key Western governments to ease the trade embargo, the Chinese government accepted three envoys from Macau, Pedro José Lobo, Ho Yin (何贤, He Xian), and Ma Man-kei. The conflict ceased only when the director of the Economic Affairs and Statistics Bureau of the Macau Government, Pedro José Lobo, signed on behalf of the Portuguese administration a written apology to the 5th Branch of the Frontier Defence Bureau of the Public Security Department of the Provincial People's Government of Guangdong, in Zhuhai, on 23 August 1952.⁵⁵ In this document the Portuguese administration apologised for the occurrence of the incidents, in spite of the fact that they had been instigated by the PLA (中国人民解放军), and decided to pay compensation for the alleged wounded on the Chinese side.⁵⁶

Eleven days after the celebration of this accord, the Chinese Premier, Zhou Enlai, made a visit to Moscow. During his meeting with Joseph Stalin, which took place on 3 September 1952, the Soviet leader asked the Chinese Premier about the border conflict, since the international press reported that

51 "Secret and urgent official letter No. 318, from the Chief of Staff of the Overseas Minister for the Chief of Staff of the Premier's Office, 6 February 1952", AOS/CO/UL-10A3, Pt. 12, 2.^a Sbd., fl. 363, Portuguese National Archives (AN/TT), Lisbon.

52 Moisés Silva Fernandes (2008), *Confluência de Interesses: Macau nas Relações Luso-Chinesas Contemporâneas, 1945-2005* (*Confluence of Interests: Macau in Contemporary Portuguese-Chinese Relations, 1945-2005*) (Lisbon: Instituto Diplomático and Centro Científico e Cultural de Macau), pp. 153-154.

53 *Ibid.*, pp. 155-160.

54 *Ibid.*, pp. 174-177.

55 *Ibid.*, pp. 160-171.

56 *Ibid.*, pp. 171-173.

the Chinese leadership did not show any interest in taking over the enclave and had actually accepted the apology presented by the Portuguese and the compensation for the wounded. In reply, Zhou Enlai stated that “Macau continues, as before, to be in Portugal’s hands”.⁵⁷ Stalin objected by arguing that “this scum that has situated itself on the very entrance of China must be driven out”.⁵⁸ The Chinese leader remained silent on the issue.

Despite Stalin’s harsh remarks China gained quite a lot from the whole affair. On 5 November 1952 the Portuguese government presented a long memorandum to the governments of all COCOM member-states advocating the creation of an exemption regime for Macau.⁵⁹ This was followed by another memorandum to the North Atlantic Council arguing the same position, on 16 December 1952.⁶⁰ In short, Portuguese foreign policy in relation to this issue became conditioned by Chinese interests.

The Chinese leadership was so committed to maintaining the Portuguese in Macau that three years later they used backroom diplomacy to persuade the Portuguese central government and the Macau Portuguese administration to cancel the celebration of Macau’s 4th centenary, which was supposedly to be held in November 1955. When the Portuguese central government, under pressure from prominent Macanese and Portuguese nationalists and without much political tact, tried to celebrate the 4th centenary of the Portuguese presence in the enclave, this was interpreted by Chinese decision-makers as an affront. China’s reaction forced the Macau Portuguese administration to cancel the whole event. The special commemorative postage stamps which had already been printed in Lisbon were withdrawn, the ministerial visit cancelled, and the pedestal erected on Dona Maria Hill for the statue of Portuguese-Chinese friendship was taken down.⁶¹

The Chinese leadership demonstrated its dislike for the planned events through diplomatic circles and the press. The Governor of Hong Kong and the British mission in Beijing served as a kind of a “section of Portuguese interests” in Beijing. The situation was deemed so serious that led to Zhou

57 “Record of Meeting Between Comrades I.V. Stalin and Zhou Enlai on 3 September 1952”, *Cold War International History Project Bulletin*, Numbers 6 and 7 (Winter of 1995/1996), p. 16.

58 *Ibid.*

59 Moisés Silva Fernandes (2008), *Confluência de Interesses: Macau nas Relações Luso-Chinesas Contemporâneas, 1945-2005* (*Confluence of Interests: Macau in Contemporary Portuguese-Chinese Relations, 1945-2005*) (Lisbon: Instituto Diplomático and Centro Científico e Cultural de Macau), pp. 174-177.

60 *Ibid.*

61 Moisés Silva Fernandes, “Enquadramento das relações luso-chinesas entre 1949 e 1966” (“Framework for the Analysis of Portuguese-Chinese Relations, 1949-1966”), *Administração/ Xingzheng* (Macau), Vol. 11, No. 40 (June de 1998), p. 306.

Enlai's intervention. According to Sir Alexander Grantham, the Chinese Premier told him that "a) the Chinese people considers the celebrations a provocation; b) the Chinese Government had not raised the Macau question in connexion with the dispute about Goa, in spite of their friendship with India, but if the proposed celebrations took place the Chinese people would not understand a failure by their Government to react; c) China would regret such a development as she wanted peaceful coexistence with all her neighbouring territories, including Macau and Hong Kong".⁶²

However, the most important aspect of this crisis was the campaign orchestrated by the Chinese propaganda apparatus on this issue, not only to denounce the celebrations, but, more importantly, to claim, for the first time, since 1949, that Macau was Chinese territory, i.e., six years after the establishment of the PRC. The two most important articles were published by the *People's Daily* (*Diário de Notícias do Povo*, *Renmin ribao*) and *Xinhua she*. The commentary by the *People's Daily's* "observer" (*observador*, *guanchajia*), of 26 October 1955, was important because: "...the paper's main function is to articulate and interpret policies in an authoritative way once China's top leaders have defined them"⁶³ The "observer" argued:

"Macau is Chinese territory. The Chinese have never forgotten Macau, nor have they forgotten that they have the right to demand the recovery of this territory from the hands of Portugal. [...] The fact that Macau has not yet been returned to China does not mean that the Chinese people can tolerate the long continuation of the occupation of Macau".⁶⁴

It added that the Portuguese administration should not misjudge the Chinese policy of peaceful coexistence "as a sign of weakness", denounced the celebrations as a provocation and an insult to the Chinese people and Asians, and warned "that China today is not the China of six years ago, let alone the China of 400 years ago".⁶⁵ The importance of this editorial was

62 "Memorandum from the Chinese central government presented through the British Embassy in Lisbon to the Portuguese Foreign Affairs Minister, Paulo Cunha, 18 October 1955", 2.º P., A. 62, M. 214, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

63 Arthur Doak Barnett, *The Making of Foreign Policy in China: Structure and Process* (Boulder and Baltimore: Westview Press and School of Advanced International Studies of the Johns Hopkins University, 1985), p. 118.

64 "A Warning to the Portuguese Authorities in Macau" (Beijing, *Renmin ribao*, 26 October 1955, p. 1; dispatch by *Xinhua she*, in English, 26 October 1955), reprinted in *Survey of China Mainland Press*, No. 1158 (27 October 1955), p. 36.

65 *Ibid.*

quite considerable because it was broadcast by Peking Radio and published in the news bulletins of various Chinese Embassies abroad.⁶⁶

Two days later, *Xinhua she's* central office published a piece entitled "A Brief History of the Portuguese Occupation of Macau" in which it denounced in vigorous language the occupation of Macau by Portugal for the last 400 years, the change in the official nomination of the enclave by the Portuguese government from "Colony" to "Province", and reiterated the principle that "Macau is Chinese territory".⁶⁷

The reaction by the Chinese propaganda apparatus made quite clear that the Chinese leadership had no intention whatsoever to take the Portuguese-administered city-state. On the contrary, it wished to preserve the *status quo* of the enclave. Four years later Mao Zedong restated the same guiding principle. On 14 October 1959, the Chinese leader told the Soviet Embassy's *chargé d'affaires* in Beijing, S.F. Antonov, that:

"In China up until the present time there are even colonies of foreign states, like Macau. A small country, like Portugal, 400 years ago grabbed from China this chunk of land. How should we proceed in this case? The CC CPC (Central Committee of the Communist Party of China) considered this question, and worked out a course, which for now consists of not touching Macau".⁶⁸

In short, the attitudes taken by the Chinese leadership during the 1952 border incidents, the 1955 cancellation of Macau's 4th centenary, and Mao Zedong's statement to the Soviet *chargé d'affaires* reveal that mainland China was committed to maintaining the *status quo* in Macau.

4. China's "People's Diplomacy" in action

Similar behaviour was shown by China, although with greater intensity when it adopted a "people's diplomacy" posture in order to diminish its dependency on the Soviet Union from the late 1950s onwards. The

66 Moisés Silva Fernandes, *Sinopse de Macau nas Relações Luso-Chinesas, 1945-1995: Cronologia e Documentos* ("Synopsis of Macau in Portuguese-Chinese Relations, 1945-1995: Chronology and Documents") (Lisbon: Fundação Oriente, 2000), pp. 135 and 621-622.

67 "A Brief History of the Portuguese Occupation of Macau", (Beijing, dispatch from *Xinhua she*, in English, 28 October 1955), reprinted in *Survey of China Mainland Press*, No. 1160 (29 to 31 October 1955), pp. 47-48.

68 Moisés Silva Fernandes, *Sinopse de Macau nas Relações Luso-Chinesas, 1945-1995: Cronologia e Documentos* ("Synopsis of Macau in Portuguese-Chinese Relations, 1945-1995: Chronology and Documents") (Lisbon: Fundação Oriente, 2000), p. 166.

Macanese Member of the Portuguese National Assembly, Alberto Pacheco Jorge, was invited by the Chinese People's Association for Cultural Relations with Foreign Countries (*Associação Popular Chinesa de Amizade com Países Estrangeiros, Zhongguo Renmin Duiwai Yuohao Xuehui*) to pay a private visit to China. In Beijing he was received by Marshal Chen Yi, Deputy Premier and Foreign Affairs Minister on 26 March 1959. During their meeting, the Chinese leader stated to his guest that "the Chinese government had higher consideration and looked with greater sympathy to Macau than to Hong Kong and that he expected that the Macau Government understood this".⁶⁹ Since then and until the occurrence of the Cultural Revolution, the visits of Portuguese officials and journalists to China increased quite considerably. The same is true of pro-Beijing Macau Chinese businessmen to Lusophone Africa and Portugal.⁷⁰

Alberto Pacheco Jorge's visit went so well that China invited five prominent persons working for the Macau Portuguese administration to pay another visit to the mainland at the end of the year, by the same "mass organization" that had invited the Macanese Member of the Portuguese National Assembly. Between 23 December 1959 and 16 January 1960 they travelled throughout China. On 3 January 1960 the group was received by Marshal Chen Yi in the latter's office. Liao Chengzhi, chairman of the Overseas Chinese Commission, took also part in the audience. During the meeting, Chen Yi reiterated his government commitment to a policy of "international peaceful coexistence", in part due to the fact that it needed to increase the country's industrial and economic growth. Owing to the entrance of a huge amount of Chinese-Indonesian refugees in Macau from Indonesia, Chen Yi "stated, while laughing, that if we did not want in Macau the Chinese from Indonesia, we could send all of them to China, because there is work for all".⁷¹ This prominent leader added that "China has many difficulties and that he knew that Portugal had them too, and because he understood this situation, he thought that he should not utter a word about the relations between the two countries".⁷² In other words, he advocated the maintenance of the *status quo*.

69 *Ibid.*, p. 163.

70 Moisés Silva Fernandes, "A evolução das relações luso-chinesas entre 1949 e 1999" ("The Evolution of Portuguese-Chinese Relations Between 1949 and 1999") in *A Reforma do Estado em Portugal – Problemas e Perspectivas: Actas do I Encontro Nacional de Ciência Política* ("Proceedings of the 1st Convention of the Portuguese Political Science Association") (Lisbon: Editorial Bizâncio, 2001), pp. 100-101.

71 "Brief Report 'on the trip to mainland China', written by the Macanese Luís Gonzaga Gomes, 20 February 1960, pp. 3-4", LGG.MAN. A. 49, Cx. 3, Centro Científico e Cultural de Macau (CCCM), Lisbon.

72 *Ibid.*

Besides these two major visits to Beijing, three other trips took place from Macau to Guangzhou, at the invitation of the Guangdong provincial government, and of prominent pro-Beijing Macau Chinese businessmen to Lusophone Africa and Portugal to promote the exports of mainland China through Macau. For example, between August and September 1962, a Macau trade mission made up of key financial, economic and trade agents of mainland China in the enclave visited Lusophone Africa and Portugal.⁷³ The Portuguese central government was informed of this trip, not by the Macau Portuguese administration but by the Taiwanese Legation in Lisbon, that had an interest in putting an end to the tour. Wang Huazheng, which Taiwanese minister in Lisbon, presented a formal note about this mission to the Portuguese Foreign Office Ministry. In it he demonstrated his government's apprehension with the trip and exhorted the Portuguese central government to take a few precautionary measures in order to diminish the political impact of the visit.⁷⁴ In order to find out more details about the tour the Foreign Office asked the Overseas Office for information regarding the real intentions of the trade mission. The reply was quite forthright: "as everybody knows, in Macau there are many communists and pro-communists with whom we must co-exist".⁷⁵

The opposite also took place. At the request of Ho Yin (何贤, He Xian), a leading pro-Beijing Macau Chinese businessman, a delegation from the Portuguese administration went to Guangzhou to take part in the 1963 Spring Trade Fair. The delegation was made of the director of the Macau Government Bureau of Economic Affairs and Statistics, Horácio Teixeira Parente, who chaired the mission, Humberto Rodrigues and the Macanese merchant Fernando L. Gracias.⁷⁶ This trade mission was accompanied by

73 The "Macau trade mission" was in fact made up by local agents of mainland China in the enclave. Its main leaders were Yin Nit-sam, chairman of the Board of Directors of the *Nam Tong Bank* (*Banco Próspero do Sul, Nam Tong yinhang*), the official name of the Macau Branch of the Bank of China; Peter Pan, deputy manager of the *Macau Trading Company*; Wm Tsui, deputy chairman of the *Nam Kwong Trading Company*, and, Koratio Se, manager of a Chinese shoe plant. This delegation was chaired by the director of the Macau Government Bureau of Economic Affairs and Statistics, Horácio Teixeira Parente.

74 "Formal note presented by the Minister of China (Formosa/Taiwan), Wang Huazheng, to the Foreign Office, 13 September 1962", PAA M. 799, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

75 "Urgent official letter from the director of the Bureau of Political Affairs of the Overseas Office, Carlos da Costa Freitas, for the acting director-general of Political Affairs of the Foreign Office, José Manuel Fragoso, 3 October 1962", PAA M. 799, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

76 "Secret Report No. 131-SC/CI(2), 'Regarding the month of April 1963' from PIDE, 4 June 1963, p. 2", Fundo MU/GM/GNP/E-06-02, A. 1, G. 1, M. 100, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

Peter Pan, chairman of the Macau Industrial Association (*Associação Industrial de Macau, Aomen changshang lianhehui*), and took place from 21 to 28 April 1963.⁷⁷ During their stay in Guangzhou they were received and had lunch with the director-general of the Guangzhou Trade Fair and the head of the Guangdong Government Bureau of Foreign Trade. These two officials showed a keen interest in Macau's trade problems and considered Angola and Mozambique important export markets for Chinese products.⁷⁸

The bilateral relationship was so intense that the Guangdong provincial government invited the Chief Justice of Macau to visit Guangzhou. On 15 September 1965, Chief Justice Manuel Castilho Pereira, accompanied by his wife, and the publisher of the Macau Chinese-language *Masses Daily*, Choi Leong-soi, visited Guangzhou at the invitation of the "competent Chinese authorities".⁷⁹ The trip lasted until 22 September.⁸⁰ Although the practical results of this visit are not known, it is believed that the two sides intended to strengthen the co-operation between both court systems, namely regarding the extradition of Chinese nationals from mainland China who had committed crimes in Macau and taken refuge in the mainland to escape the Portuguese court system. The Acting Governor of Macau, Colonel Armando Mota Cerveira, not only politically supported the visit, but also persuaded the Overseas Minister, Silva Cunha, to authorise it, by arguing that "it was of great political importance due to the status of guests".⁸¹

However, the trips to Beijing and Guangzhou were not only confined to prominent persons of the Macau Portuguese administration, they included also renowned journalists from Portugal who published highly favourable chronicles about mainland China, at a time when the Portuguese government had no official diplomatic relations with Mao Zedong's regime. Two well-known Portuguese journalists made trips to China in the first half of the 1960s: Mário Rosa and José de Freitas. For example, Mário Rosa, deputy editor-in-chief of the Lisbon daily *Diário Popular*, made a nineteen-day tour

77 The Guangzhou Trade Fair was organised by Chinese export oriented national state-run corporations, since the spring of 1957 (Hsiao, 1977, p. 91).

78 "Report of the visit made to the Guangzhou Trade and Industrial Fair for the Governor of Macau, submitted by Horácio Teixeira Parente, 31 May 1963, p. 6", PAA M. 1166, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

79 "A imprensa chinesa disse... 'Si Man' (16-09-1965)", *O Clarim* (Macau), Year 18, No. 41 (19 September 1965), p. 5.

80 "De regresso", *Notícias de Macau*, Year 19, No. 5,351 (23 September 1965), p. 2.

81 "Memorandum No. 2612/D/6/7 from the Office of the Overseas Minister for the director of the Bureau of Political Affairs, 3 September 1965", Fundo MU/GM/GNP/E-06-15-25, A. 1, G. 1, M. 171, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

of China at the invitation of the Beijing daily *Guangming ribao*, from 27 July to 14 August 1962.⁸²

For the first time, a Portuguese daily published a series of highly optimistic reports about the prospects for China and for Mao Zedong's regime, despite the anti-communist and right-wing nature of Salazar's authoritarian regime.⁸³ Besides publishing highly favourable articles about China in the main Portuguese daily, Mário Rosa gave a press conference in Hong Kong in which he reminded the Western press that Macau was treated differently from Hong Kong by China. According to the 21 September 1962 edition of the Portuguese daily *Diário de Notícias*, of New Bedford, USA, Mário Rosa stated that: "it is from the neighbouring Chinese territory of Macau that goes daily the indispensable food for her inhabitants, through the Barrier Gate, without any obstacles. More importantly, they are on average 30% cheaper than in Hong Kong, because Chinese decision-makers, in a true spirit of understanding, realise that the residents of the British Colony of Hong Kong can pay more than the inhabitants of Macau. The Portuguese back in Portugal must know this important fact. The residents of Macau know this situation very well".⁸⁴

On the other hand, José de Freitas, a senior journalist in the same daily, visited China from 6 and 22 April 1964.⁸⁵ Besides publishing laudatory articles about the Chinese regime in the Lisbon daily *Diário Popular*, he released a book in July 1964 entitled *A China Vence o Passado* ("China Overcomes her Past") with more details about his trip. In this book he exhorted Salazar's

82 According to the Portuguese political police, PIDE, the visit started on 24 July 1962. During his tour of China Mário Rosa was escorted by the Chinese "journalist" Choi Leong-soi, publisher of the Macau Chinese-language *Masses Daily*, who also served as a translator. The influential Ho Yin (何賢, He Xian), leading member of the Macau business elite aligned with Beijing, escorted Mário Rosa and Choi Leong-soi up to Guangzhou. "Memorandum No. 51-SC/CI(2), Security Services, Central Section of the Portuguese political police (PIDE), 12 September 1962, p. 1", PAA M. 795, Portuguese Historic-Diplomatic Archives (AHDMNE), Lisbon.

83 From the 17 to the 20 September 1962, the Lisbon daily *Diário Popular* published several articles favourable to Chinese leadership written by Mário Rosa. His last report was an interview with the Chinese last emperor, Henry Pu Yi, in which the latter engaged in self-criticism and praised Mao Zedong's regime. Mário Rosa, "No país dos 600 milhões de habitantes - 4: 'fui imperador da China mas não conhecia o povo chinês' - declara Pu Yi ao *Diário Popular*", *Diário Popular*, Year 20, No. 7,164 (20 September 1962), p. 1; Teresa Rebelo, "Enviado Especial - um português de 'Salazar' na China Comunista" and "Missão informativa, missão de sedução", *Notícias Magazine* (Lisbon), No. 400 (23 January 2000), pp. 42-48.

84 "Um jornalista português na China", *Diário de Notícias* (New Bedford, USA) (21 September 1962), p. 2.

85 Moisés Silva Fernandes, "A iniciativa gorada de Franco Nogueira para o estabelecimento de relações diplomáticas entre Portugal e a China Continental em 1964" ("Franco Nogueira's Failed Attempt to Establish Diplomatic Relations Between Portugal and mainland China in 1964"), *Administração/Xingzheng* (Macau), Vol. 15, No. 56 (June 2002), p. 589.

regime to recognise and to establish diplomatic relations with the People's Republic of China "due to the fact that it was in the national interest to abandon the failed policy of isolating China".⁸⁶

In short, Mao Zedong's regime used "people's diplomacy" to invite leading Portuguese and Macanese personalities to visit China with the goal of projecting a positive image in Portugal and Macau, respectively. On the other hand, these trips were also used to promote China's trade and economic interests in Lusophone Africa and Portugal, in particular, and in the Western world, in general, at a time when China was in open conflict with the Soviet Union regarding the guidance of the world communist movement.

Actually, the Chinese regime was so happy with the conduct of the Portuguese administration that they communicated it to them. At the end of the 4th Chinese People's Political Consultative Conference (CPPCC), which took place between 20 December 1964 and 5 January 1965,⁸⁷ Zhou Enlai received one of the most prominent Macau Chinese businessmen: Ho Yin (何賢, He Xian). The Chinese Premier asked the latter to tell the Macau Governor, Lieutenant-Colonel Lopes dos Santos, that in the "last fifteen years China has treated Macau well and it never exercised any pressure against her".⁸⁸ In other words, it recalled that mainland China would maintain the *status quo* in the enclave.

5. Macau in the Sino-Soviet rift

The contradiction between the official Chinese ideological posture to promote a world-wide revolution and its highly pragmatic political attitude towards Macau and Hong Kong was, naturally, exploited by Moscow to challenge the credibility of the anti-imperialist and anti-colonial posture of the Chinese leadership. The Soviet regime just drew attention to China's contradiction between her claims that the two Western-administered enclaves were "Chinese territory", but at the same time accepted without hesitation foreign rule over them.

On 2 December 1962 the Soviet Premier Nikita Khrushchev, leader from 1953 to 1964, denounced before the Supreme Soviet the rubber stamp

86 José de Freitas, *A China Vence o Passado* ("China Overcomes her Past") (Lisbon: Edições Cosmos, 1964), p. 36.

87 Kenneth G. Lieberthal and Bruce J. Dickson, *A Research Guide to Central Party and Government Meetings in China, 1949-1986*, Second Revised and Augmented Edition (New York: M. E. Sharpe, 1989), pp. 160-161.

88 "Secret telegram from the Macau Governor for the Overseas Minister, 23 January 1965", AOS/CO/UL-60, Pt. 2, 4.^a Sbd., fl. 17, Portuguese National Archives (AN/TT), Lisbon.

legislature of the USSR, the Chinese leadership for supporting the Portugal's colonial policy in Africa and Asia. Simultaneously, he congratulated India for putting an end to the Portuguese presence in Goa and exhorted the Chinese leadership to do the same in Macau and Hong Kong.⁸⁹

The propaganda warfare against the Chinese leadership increased when the pro-Soviet United States Communist Party issued a statement on 9 January 1963 criticizing the Chinese leadership for contradictions between her foreign policy of supporting national liberation movements and the presence of two Western colonies on China's southern shore: Macau and Hong Kong. The Chinese reacted quite vigorously to this accusation. On 8 March 1963, the *People's Daily* defended a negotiated political settlement for Macau, Kowloon, and Hong Kong "when the conditions are ripe". In the meantime, "pending a settlement, the *status quo* should be maintained".⁹⁰

When the Portuguese Foreign Affairs Minister, Franco Nogueira, tried to persuade Premier Salazar to recognise and establish diplomatic relations with the People's Republic of China in January/February 1964, the international press made an intensive coverage of this political initiative.⁹¹ The Soviet daily *Pravda* accused, on 8 July 1964, China of indirectly supporting Portuguese colonial policy in Africa.⁹² Three weeks later, *Xinhua* she denounced the Soviet daily charges as "slanderous" and argued that China had "never considered" any proposal for the establishment of bilateral relations.⁹³ Despite this reaction, China was so concerned about the political fallout amongst the leaders of the liberation movements, especially from Lusophone Africa, that more than 2/3 of this commentary was dedicated to the reiteration in general terms of the Chinese leadership's support for "national liberation struggles".⁹⁴

In the meantime, in order to appease mainland China's concerns over *Guomindang* (國民黨) activities in Macau, the Portuguese administration accepted suggestions made by Ho Yin (何賢, He Xian) and O Cheng-ping aimed at curtailing the nationalists actions in the enclave. The Governor of

89 Moisés Silva Fernandes, "Macau no dissídio sino-soviético" ("Macau in the Sino-Soviet Rift") *Estudos Sobre a China IV*, Vol. 1, Ana Maria Amaro and Dora Martins, eds., (Lisbon: Instituto Superior de Ciências Sociais e Políticas da Universidade Técnica de Lisboa, 2002), p. 358.

90 *Ibid.*

91 Moisés Silva Fernandes, "A iniciativa gorada de Franco Nogueira para o estabelecimento de relações diplomáticas entre Portugal e a China Continental em 1964" ("Franco Nogueira's Failed Attempt to Establish Diplomatic Relations Between Portugal and mainland China in 1964"), *Administração/Xingzheng* (Macau), Vol. 15, No. 56 (June 2002), p. 573.

92 *Ibid.*, pp. 594-595.

93 *Ibid.*, p. 596.

94 *Ibid.*, pp. 596-597.

Macau, Lieutenant-Colonel Lopes dos Santos, under instructions from the Portuguese Overseas Minister, Navy Commander Peixoto Correia, issued a public notice in which it forbade anti-PRC actions in the enclave and threatened “[a]nyone found implicated in these activities will be prosecuted and handed over to the Chinese People’s Republic authorities”, on 18 December 1963.⁹⁵ A year-and-a-half later, after strong opposition from Taiwan and the USA, and heavy pressure from Mao Zedong’s regime, the Portuguese government closed the Office of the Special Commissioner of the Ministry of Foreign Affairs of the Republic of China (Formosa/Taiwan) in Macau, on 29 March 1965.⁹⁶

In short, Sino-Portuguese relations between 1949 and 1965 were heavily marked by a *pro-status quo* stance by the Chinese leadership, as well as by a growing *rapprochement* in Macau between mainland China and Portugal with the intensification of the Sino-Soviet split.

Conclusions

For this sixteen-year period, Mao Zedong’s regime did her utmost to maintain a *status quo* policy towards Macau. The tiny city-state was important politically, financially, and commercially for China and therefore it conditioned her policy towards the enclave, even when it was harshly criticized by Moscow as it happened during the Sino-Soviet split. In short, it endorsed the presence of a weak colonial power on her southern coast, in spite of the fact that it had expelled all foreigners from mainland China and was officially committed to the promotion of a world-wide revolution against imperialism and colonialism.

95 Moisés Silva Fernandes, *Sinopse de Macau nas Relações Luso-Chinesas, 1945-1995: Cronologia e Documentos* (“Synopsis of Macau in Portuguese-Chinese Relations, 1945-1995: Chronology and Documents”) (Lisbon: Fundação Oriente, 2000), pp. 197 and 642-643.

96 *Ibid.*, pp. 215-217 and 646-650.