

Thoughts from the Chairman

FREEMAN REPORT | ISSUE 4 | NOVEMBER 2012

About the Freeman Chair

CHRISTOPHER JOHNSON
*Freeman Chair
in China Studies*BONNIE S. GLASER
Senior Adviser for Asia

Freeman Chair on Facebook



The CSIS Freeman Chair Facebook page provides you with a platform to engage in an informed public policy debate on greater China. “Like” us to receive up-to-date news, Freeman Chair publications, event information, and more.

Upcoming CSIS Events

- *China in the Multilateral Development System.* CSIS 4th Floor Conference Room. Monday, December 3, 2012, 2:30 p.m.–3:30 p.m.
- *The CSIS-Schieffer Series: China's Leadership Transition and Looking Ahead at U.S.-China Relations.* CSIS B1 Conference Room. Tuesday, December 4, 2012, 5:30 p.m. – 6:30 p.m.
- *Book Event: U.S.-China Relations After the Two Leadership Transitions: Change or Continuity?* CSIS B1 Conference Center. Monday, December 17, 2012, 4:00 p.m. – 6:00 p.m.

ALL EYES ON XI AS CHINA'S NEW
LEADERS TAKE POWER

CHRISTOPHER JOHNSON

On November 15, the Chinese Communist Party (CCP) unveiled its new, slimmed-down Politburo Standing Committee (PBSC) to the world. During his first public remarks as the newly minted CCP general secretary, Xi Jinping won plaudits—from both domestic and foreign audiences—for speaking candidly about the many challenges facing the CCP, and for deliberately avoiding the kind of ideologically laced rhetoric that has featured so prominently in the speeches of his predecessors. Many observers have suggested this approach underscores Xi's innate confidence as a leader whose “princeling” status imbues him with a born-to-rule leadership style. With the new leadership lineup no longer a mystery, the new favorite parlor game in Beijing and among foreign China watchers is to speculate on whether Xi will embrace reform to tackle the laundry list of mounting social and economic problems that are steadily eroding the CCP's legitimacy with the Chinese populace.

But is it reasonable to focus so intently on Xi? After all, much of the analysis in the wake of the 18th Party Congress has emphasized that he will likely be as constrained as departing President Hu Jintao was when the latter took power at the last transition a decade ago. Why will this be so? Xi is surrounded by PBSC colleagues he did not choose. He also must negotiate with not just one, but two retired general secretaries (Hu and former president Jiang Zemin) whose interests must be taken into account. Both of these statements are true, but they may lack substantial explanatory power beyond the simple facts of the matter. In fact, if there is any lesson we should take from the unfolding transition, it is that past precedent may not be the best indicator of future developments or performance. The new PBSC configuration is a stark reminder that Chinese politics, despite some modest tweaks to make the process

(continued on page 2)

ALL EYES ON XI AS CHINA'S NEW LEADERS TAKE POWER *(continued)*

more regularized and predictable, remains a largely informal and highly personalized affair.

Viewed against this backdrop, Xi probably is less constrained than at first glance. The new PBSC lineup is undoubtedly less reformist in orientation than if it included the likes of Wang Yang and Li Yuanchao. But, as part of their political deal making, senior leaders may well have deliberately traded wider representation of the broad spectrum of views within the party's ranks for greater unity within the PBSC. Whatever Xi's differences with his mostly Jiang Zemin-backed PBSC colleagues, there presumably is far less daylight among them than had more Hu allies been appointed to the CCP's top decisionmaking body. Moreover, the key personnel developments at the Party Congress—trimming two seats from the PBSC, downgrading the party's security czar (and probably the propaganda portfolio), and making Xi party boss and commander in chief in one fell swoop—certainly appear consistent with such a seeming desire to fully empower Xi. The meaningfulness of these changes is amplified still more if viewed through the prism of personal political power rather than misguided notions of institutionalization.

This is not to suggest that the process and its results are, or will be, free from unintended consequences. Chief among the most readily apparent is the fact that, by promoting the oldest members of the previous full Politburo (save the one female contender, Liu Yandong) to the new Standing Committee, five of the seven current members will again face retirement at the next five-yearly Congress in 2017. Based on the natural rhythms of the Chinese political process, this means that Xi and his colleagues, after roughly a year of settling in, have at most two to three years to make progress before the political horse trading will begin again in earnest.

And this is where it really does become largely about Xi. He will have to decide, and probably fairly early on in his tenure, whether he has sufficient room—to say nothing of his own inclinations—to abide by the traditional timelines described

FEATURED MULTIMEDIA



Watch Freeman Chair Chris Johnson's November 9, 2012, interview on China's leadership transition with CSIS Small Screen Sessions.



Click [here*](#) to watch the November 30, 2012, report rollout: *Reordering Chinese Priorities on the Korean Peninsula*, featuring Bonnie Glaser and a distinguished panel of experts.

* Note: the video for this event may not be available until after December 3.

HIGHLIGHTS IN THE NEWS



Watch Christopher Johnson's November 15th PBS Newshour interview on China's leadership transition.

Click [here](#) for more news commentary from Christopher Johnson and Bonnie Glaser.

ALL EYES ON XI AS CHINA'S NEW LEADERS TAKE POWER *(continued)*

above. Leaving more reformist figures off the new PBSC was not cost free. The leadership missed an opportunity to buy time for Xi and his cohort with an easy means of signaling key domestic constituencies and international markets anxious for indications that the CCP has not become so sclerotic, and so captured by the combination of entrenched vested interests and party power, that it is incapable of breaking through its current malaise.

Though presumably more fanciful than real, rumors that the new leaders will unveil fresh—possibly even bold—initiatives as soon as next month's Central Economic Work Conference underscore the pressures Xi and his colleagues are under to develop a different path. Even more realistic prognostications, such as those earlier in the month by the head of China's largest investment bank, that the Xi leadership at a party plenum next fall will unveil a new blueprint to guide China's reforms are difficult to interpret. It is unclear at this stage, for example, whether such voices are acting as surrogates for the new leadership to help shape and moderate expectations, or whether they are instead simply a part of the cacophonous noise seeking to goad the leadership onto the reformist path.

Xi's actions will also bear close watching for the instruments from his toolkit he chooses to employ. Given his princeling mindset as a "son of the party," Xi is undoubtedly frustrated by the seeming atrophy of party control, and especially the center's weak grasp on the localities. Fixing that problem will be essential to any plans for more sweeping reforms, as such edicts from Beijing would be meaningless in the absence of a clear ability to ensure implementation down to the local level.

Consequently, Xi is likely to focus his energies in the early going on strengthening the party apparatus. Xi talked tough about corruption and mismanagement in published remarks to the Politburo shortly after the new leadership was seated, but he may be looking to go beyond mere style points. A full-fledged party rectification campaign could thus be in the offing. Though almost certain to be misread as a sure harbinger of retrenchment, Xi may well view it as an essential first step. It is worth recalling, for example, that Jiang Zemin used the last such campaign to strengthen his hand before pushing through major initiatives including China's accession to the World Trade Organization and allowing private entrepreneurs to join the party.

ALL EYES ON XI AS CHINA'S NEW LEADERS TAKE POWER *(continued)*

With such a full plate at home, Xi will struggle to find the wherewithal also to manage foreign policy. But, once he collects the last of his formal titles, the presidency, in the spring, he will not have a choice. China's relationships with many of its regional neighbors, and especially with Japan, remain under strain amid continuing controversies over territorial disputes. Beijing's emerging game plan of exploiting these disputes to alter the status quo and to create new facts on the ground is an acute challenge for the United States and its allies in the region. Indications that Xi fully endorses this strategy suggest the intensity of this challenge is unlikely to diminish under his rule.

Xi also will have to quickly define his approach to managing China's most important bilateral relationship, that with the United States. Here Xi is likely to confront a dilemma between following his own inclinations and managing the emerging sentiments of the Chinese elite and the broader Chinese public. Xi has far more familiarity, and therefore comfort, with the United States than Hu Jintao did when taking on the mantle of steward of the bilateral relationship, and there is every indication that Xi genuinely supports healthy bilateral ties with Washington. But it is equally clear that Chinese suspicions of U.S. intentions, especially in the aftermath of the U.S. strategic rebalancing to Asia, are hardening into what threatens to become a profound mistrust. Successfully walking the fine line between instinct and political necessity may well define whether Xi can achieve his own stated goal of "building a new type of great power relationship" with Washington. ■

FREEMAN CHAIR IN CHINA STUDIES

Christopher K. Johnson, *Senior Adviser and Chairholder*

Bonnie S. Glaser, *Senior Adviser for Asia*

Yu Ye, *Visiting Fellow*

Brittany Billingsley, *Research Associate and Program Coordinator*

Nicole White, *Research Assistant and Program Coordinator*

Ryan Pope, Meicen Sun, Jennifer Welch, and Shirlene Yee, *Research Interns*

The Freeman Report is an electronic newsletter produced by the Freeman Chair in China Studies at the Center for Strategic and International Studies (CSIS), a private, tax-exempt institution focusing on international public policy issues. Its research is nonpartisan and nonproprietary. CSIS does not take specific policy positions; accordingly, all views, positions, and conclusions expressed in this publication should be understood to be those of the author(s).

© 2012 by the Center for Strategic and International Studies. All rights reserved.