

# **DELHI POLICY GROUP**

### **DPG POLICY BRIEF**

Vol. II, Issue 9

Advancing India's Rise as a Leading Power



October 31, 2017

## Xi Jinping and the 19th CPC Congress

by Biren Nanda, Senior Fellow, Delhi Policy Group



#### Introduction

Xi Jinping's marathon three and a half hour address to the 19<sup>th</sup> Congress of the CPC delivered on October 18, 2017 has set the stage for far reaching changes in Xi's own position in the Party, and laid down the

guidelines for the governance of China and the domestic, foreign and security policies of the of the CPC and the Chinese Government over the next five years.



Front row, from left: Chairman of the Standing Committee of the National People's Congress Zhang Dejiang, former Chinese President Hu Jintao, Chinese President Xi Jinping, former President Jiang Zemin, and Chinese Premier Li Keqiang, at the opening of the 19th National Congress of the Communist Party of China at the Great Hall of the People in Beijing on Oct 18, 2017. Source: REUTERS

The far reaching import and gravity of Xi's announcements was reflective of the equally ponderous and long title of the speech," Secure a Decisive Victory in Building a Moderately Prosperous Society in all Aspects and Strive for the Great Success of Socialism with Chinese Characteristics in the New Era."

#### **IN THIS ISSUE**

#### ❖ Xi Jinping and the 19th CPC Congress

 Ambassador Biren Nanda, Senior Fellow, Delhi Policy Group

DPG Policy Brief is produced by the Delhi Policy Group, an independent and autonomous, not for profit think tank which focuses primarily on strategic issues of critical national interest.

In keeping with the growing dynamism of India's foreign and security policy, the DPG has expanded its focus areas to include India's broader regional and global role and the strategic partnerships that advance India's rise as a leading power. To support that goal, the DPG undertakes research and organizes policy interactions across a wide canvas, including strategic and geo-political issues, geo-economic issues and defence and security issues.

DPG does not take specific policy positions; accordingly, all views, positions, and conclusions expressed in this publication should be understood to be solely those of the author(s).

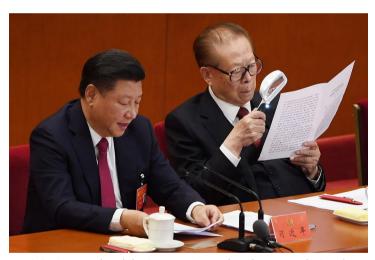
© 2017 by the Delhi Policy Group (DPG)



Ambassador Hemant Krishan Singh Director General The speech enshrined Xi Jinping as China's supreme and unchallenged leader and reinforced the leading role and dominant position of the CPC over all aspects of governance, economy and society in China.

What were the salient pronouncements in Xi's speech and the proceedings of the 19<sup>th</sup> Party Congress?

First, Xi Jinping secured a second term as the General Secretary of the CPC and could, in theory at least, continue well beyond 2022. In other words he now serves at his own pleasure. The collective leadership of the CPC Politburo Standing Committee stands jettisoned and Xi is now regarded as China's most powerful leader after Mao. His political philosophy – "Socialism with Chinese Characteristics for a New Era" – was elevated to constitutional status as 'Xi Jinping's Thoughts.' This has echoes of the Mao era - except that while Xi might be molding the Party apparatus in the image of the Mao era, unlike Mao he does not subscribe to an ultra-leftist ideology. He seeks to combine Party control, discipline and dominance with modern governance, economic reform and an assertive foreign and security policy abroad.



Xi Jinping speaks while Jiang Zemin reads a document during the closing session of the 19th Congress of the CPC. Source: AFP

Second, Xi reiterated his commitment to the task of "national rejuvenation" or the realization of the "Chinese Dream." The Chinese Dream is first and foremost an alternative to the "Century of Humiliation" narrative of the CPC on recent Chinese history.

In 2010, China became the world's second largest economy. Perhaps, the Central leadership under Xi Jinping felt that the country needed a foreign policy approach commensurate with its enhanced economic status. The 'Chinese Dream' narrative stems out of this realization that China is now a great power and needs to display the attitude of a great power.

Third, China has never publicly repudiated Deng Xiaoping's foreign policy dictum "observe things serenely, respond and manage things calmly, hold our ground firmly, hide our capabilities and bide our time, accomplish our objectives." But China under Xi, has an active foreign policy that no longer hides its capabilities and does not shy away from a confrontation in asserting its "historical rights" and territorial claims. Similarly, Deng Xiaoping's proposal to "shelve disputes and pursue joint development", has been abandoned by Xi Jinping in favor of confrontation with littoral claimant States on the South China Sea issue, gray zone incursions and coercive pressures in the East China Sea, and periodic incursions on the land border with India.



Chinese leader Deng Xiaoping is shown with US President Gerald Ford. Deng's dictum advising the Chinese leadership to lie low and bide its time has been abandoned by Xi Jinping for a more assertive foreign and security policy. Source: Reuters

In his speech, Xi Jinping also spoke of a "global community of common destiny for mankind". This is a reference to the "New model of International Relations (Xinxing Guoji Guangxi)" which is to be based on building a community of shared future, identifying common interests, seeking a win-win outcome and promoting cooperation and the peaceful resolution of international disputes.

Fourth, China under Xi has also sought to compete with the West and attempt to demonstrate the superiority of Chinese values and sytem of government. In response to the values of 'democracy and universal human rights' promoted by western countries, at the 18th CPC Congress, China had adopted the concept of 'Socialist Core Values' — explained as democracy, prosperity, harmony, freedom, equality, justice and seeking interests, (Yi yi) fairness, rule of law, patriotism (Aiguo

*zhuyi*), dedication, honesty and friendliness. China now wishes to compete with the West in the realm of morality and legitimacy and on the basis of its presumed soft power.

Fifth, The core concept of the 'Chinese Dream' is "National Revival" (Guojia fuxing). The CPC Centenary goals are to establish a moderately well off society (Xiaokang Shehui) by 2020 and a rich and strong socialist country (Fuqiangde Shehuizhuyi Guojia) by 2049.

Sixth, the aim is to establish "Socialism with Chinese characteristics" (Zhonguo Tese Shehuizhuyi). 'Socialism with Chinese characteristics' asserts the necessity of proceeding from China's realities, integrating the fundamental tenets of Marxism with these concrete realities and finding new ways of building socialism in China. It takes the development of productive forces (and not class struggle) as its fundamental task. Things that fettered the development of productive forces and were not essential to socialism are no longer regarded as socialist principles.

#### What are the policy implications of Xi's Thought?

First, the economic goal as before is to realize the twin CPC Centenary goals and become a nation with leading global influence by 2050. The anti-corruption campaign will continue its momentum. There will be a focus on fighting poverty, creating jobs and lowering housing prices. The economy will open further to trade and investment, there will be a more level playing field for foreign and Chinese businesses, and a shift towards market based interest and exchange rates. Xi will focus on promoting more balanced growth, a better quality of life, tackling the economic slowdown, improving governance, fighting bureaucratic inertia, reforming SOEs, promoting quality manufacturing, improving macro-regulation and boosting consumption.



An undated photo of Bo Xilai, one of China's high profile officials, at a public trial. Source: BBC

Second, efforts will continue to boost national security. The PLA will be a world-class force by 2050. This suggests that PLA modernization will be a gradual planned process and China does not anticipate a major conflict with a technologically advanced great power in the first half of this century. Significantly, Xi has brought the PLA under the ambit of the anti-corruption watchdog – the Party Discipline Commission – with a view to eliminating opposition to the structural reform of the PLA.

Third, there was a range of announcements related to how China will be governed. The rule of law will be emphasized. A leading group has been set up in the CPC for "Advancing Law Based Governance." There will "Education Campaigns" for party cadres on the theories advanced by the CPC. "Beautiful China," focusing on environmental measures, climate change and a new National Park System will be incorporated in development plans.

## What does the future portend for China, India and the rest of the world?

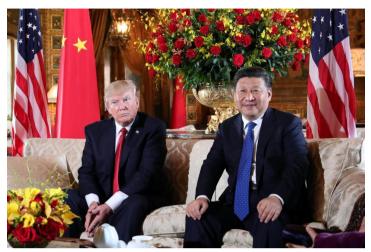
China has engaged in a rush of territorial assertiveness and aggression in dealing with territorial disputes in the South China Sea, the East China Sea and the land border with India. Given its current mood of *hubris*, we can expect more of the same.

The BRI is to be enshrined in the constitution, which might appear to make it an immutable anchor of China's efforts to establish a neocolonial style dominance over countries along its periphery — at least till the end of the Xi Jinping era. China will most likely continue its policy of persuasion and soft coercion to encourage India to join the BRI. This may become less effective as a number of countries previously neutral on BRI are now speaking up against it on lines similar to that of India's.

It is unlikely that China will allow its differences with other countries, including India, to escalate into open conflict. The imperative of realizing the CPC's two centenary goals by 2050 and the *gradual pace* of PLA modernization will ensure that.

As the US continues in its isolationist mood and fails to provide leadership on issues like the global economy, climate change and regional issues related to Asia's stability, Xi will continue to move towards occupying the center stage in global and regional forums and pretend

to champion the cause of globalization and free trade - the ultimate irony coming from a mercantilist country that has consistently denied other countries market access, violated intellectual property rights, indulged in cyber espionage and technology theft and asserted unilateral territorial claims along its periphery.



President Trump seen with Chinese President Xi Jinping at his Mar-a-Lago resort in Palm Beach, Fla in April, 1017. Source: Reuters

History tells us that although Xi Jinping is now the undisputed sole leader of China's destiny, the jettisoning of collective leadership means he will be progressively isolated from the people he rules. So far his policies — particularly his anticorruption campaign- have had widespread popular approval. His isolation will inevitably mean that in the future, he may become more prone to committing excesses and making mistakes. At least, Mao had a Zhou Enlai to blunt some of the worst excesses of the Cultural Revolution. Xi Jinping has no leader of national stature like Zhou. Li Keqiang simply doesn't fit the role. Li Keqiang is no Zhou Enlai.

\*\*\*

#### **Delhi Policy Group**

Core 5A, First Floor, India Habitat Centre Lodhi Road, New Delhi 110003

Phone: +91 11 48202100

Website: www.delhipolicygroup.org

Email: dg@dpg.org.in; dgoffice@dpg.org.in

DPG POLICY BRIEF Volume II, Issue 9 October 2017