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China's 18th Party Congress Trends and Analysis

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The Chinese Communist Party (CCP)'s week-long (Nov 8-14) 18th Congress, which concluded on November 14, 2012, marked an important milestone in the evolution of the CCP. It saw the smooth transfer of power to leaders of the next generation despite the severe political disruption caused by the unbridled ambition of Bo Xilai, the now ousted former Politburo (PB) member with unimpeachable 'Red Revolutionary' lineage. The disruption impacted, however, on the composition of the Politburo Standing Committee (PBSC) where the preference was for stolid apparatchiks bound by traditional Party ideology and discipline. The Party Centre was also able to ensure that an acceptable political document was approved, namely Hu Jintao's Work Report, a key Congress document which was drafted from the beginning under Xi Jinping's leadership. Most importantly, the Congress oversaw the hand over of power to a pair of new leaders who had not been selected by 'Long March' veterans, and a set of PBSC and have entirely members who academic and social backgrounds than their predecessors and all of whom grew and joined the CCP during the tumultuous Cultural Revolution years.

18th PARTY CONGRESS: AN INTRODUCTION

Indirectly acknowledging the growing popular discontent caused by a variety of factors including corruption, rising income inequality, pollution and food adulteration, the 18th Party Congress opened in the Great Hall of the People in Beijing on November 8, 2012, amidst unprecedented high security. 1,704 journalists covered the event attended by 2,280 Delegates and 20 special invitees like Song Ping, Qiao Shi, Li Peng and Jiang

Zemin, who also cast votes. Heating was turned up in Beijing since the end of October for comfort of the 2,270 Delegates and 1.4 million 'volunteers' were mobilized for security work in Beijing. Irate 'netizens' complained that over 660 persons had been assigned to protect each Delegate. China sealed its borders with Myanmar, India and Nepal and put security forces on higher vigil in the Tibet and Xinjiang-Uyghur Autonomous Regions. The opening and closing ceremonies were marred, however, by news of the self-immolation of five Tibetans across China's Tibetan populated areas on November 7 and some more on the closing days of the Congress.

Reflecting the CCP's increased strength of 82.6 million, 2,270 Delegates, each representing 38,000 Party members, were selected for the 18th Party Congress. 50 additional Delegates represented 'businessmen'. The CCP's changing complexion was evident in the inclusion among the Delegates of 160 of China's 1,024 wealthiest men. The number of Delegates representing the People's Liberation Army (PLA) registered a slight increase at 251 against 249 for the 17th Congress. Hinting at the deleterious impact of the Bo Xilai incident on the PLA, China's official news-agency 'Xinhua', while reporting that the PLA's list of Delegates had been finalised, specifically observed that all 251 had been hand-picked for their blemish-free political reliability and record.

The strength of the Party's 18th Central Committee (CC) registered a marginal increase from 371 to 376. The average age of the new 18th CC, however, dropped to 56.1 with 166 of the 205 full members born in the 1950s. The number of women reduced to 33. There are 39 ethnic minorities represented in the CC, though the number of

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Tibetans in the CC has dropped from 2 to 1. Interestingly, the number of Tibetans among the alternate members of the CC, at the same time, rose to an all time high of 4.

Notable is the reduced size of the PBSC, from 9 to 7. Reliable reports circulating in Beijing claimed that the size of the PBSC was conclusively decided only on November 14 evening. The reduced size meant that unlike in the earlier PBSC no leaders from the successor 'sixth generation' were inducted, though at least 9 potential candidates for the top jobs are present in the PBSC or PB, perhaps suggestive of an increased emphasis on political reliability and loyalty to the Party.

The 7-member Politburo Standing Committee (PBSC) led by 62-year old Xi Jinping with Li Keqiang comprises dependable apparatchiks who adhere to the Party line and discipline and will neither brook any violation. Four of them are 'princelings'.

Liu Yunshan is a conservative and has been uncompromising in controlling and implementing the Party's approved narrative even when it meant excising portions of speeches made by President Hu Jintao and Premier Wen Jiabao. He effectively managed the propaganda apparatus during the riots in Tibet in 2008 and drove a wedge between the Han majority and Tibetans. As PBSC member he continues to oversee Propaganda, Culture and Education, implying that strict policing of the media and cyberspace will continue combined with strenuous propagation of Party ideology. He is also President of the Central Party School and Executive Secretary of the influential 18th CCP CC Secretariat, indicating he could be appointed Vice President by the National People's Congress (NPC) this March, when Xi Jinping is confirmed as President.

1947-born PBSC member Zhang Dejian, a 'princeling' and son of former PLA Major General Zhang Zhiyi, is a disciplinarian and was educated in economics in North Korea. He will be appointed

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NPC Chairman this March and is likely to be the link between the Chinese and North Korean leadership. Yu Zhengsheng, is another 'princeling' and as CPPCC Chairman will guide matters relating to China's ethnic minority nationalities and non-communist parties with a firm, conservative hand. His record is that of an orthodox Party administrator.

The appointment of Wang Qishan, a 'princeling' and son-in-law of former PBSC member Yao Yilin, as Chief of the Party's anti-corruption watchdoa body, the Central Discipline Inspection Commission (CDIC), has prompted persistent speculation in Beijing that a crackdown on corruption will get underway early in 2013. Hong Kong's 'South China Morning Post' on November 26, observed that Wang Qishan's skills would be put to the test as "the state will collapse if the Party does not tackle corruption, but the Party will collapse if the anti-corruption push is too hard". Wang Qishan is respected internationally as a tough economic administrator. The appointment of Wang Qishan as CDIC Chief removes a potential rival in economic administration to Li Kegiang, and will dilute efforts to reduce the economic empires of the SoEs.

The new Executive Vice Premier in charge of Economic issues, Zhang Gaoli, is fond of large government guided projects and has a reputation of working with powerful business interests rather than challenging them. He is unlikely to downsize SoEs. At the same time, he has the reputation of being a stern taskmaster and is credited with promoting the retail sector as a way of creating jobs other than in the construction and manufacturing sectors.

All of them except Xi Jinping and Li Keqiang will step down in 2017, reinforcing the assessment that they have been inducted into the PBSC to strengthen Party ideology, and provide stability and continuity to the Party at a time when it has been severely bruised by the Bo Xilai incident.

The other important facet of power for the CCP is the PLA and here too the power transition was smooth. In a major departure from past practice, except for the top post of Chairman of the Central Military Commission (CMC), China's top military leadership line-up was formally announced before the Chinese Communist Party (CCP)'s 18th Party Congress opened. The unusually announcement of key appointments, including those of the Beijing Military Region Commander and Commander of the 38th Group Army based at Baoding both of whom have traditionally been individuals in whom the Party Chief reposes confidence, indicates that Hu Jintao and Xi

Jinping are firmly in charge of the PLA and that Hu Jintao's influence will continue. It confirms earlier indications that Hu Jintao and his designated successor had a close, collaborative working relationship, undoubtedly facilitated by Hu Jintao's friendly ties with Xi Jinping's father, Xi Zhonaxun. In apparent confirmation of reports emanating from Beijing since July 2012, that Hu Jintao was reluctant to retain office, Hu Jintao handed over charge of the powerful post of Chairman of the CMC to Xi Jinping on November 11. The authoritative 'Global Times', a subsidiary of the official Party mouthpiece 'People's Daily', on November 18, 2012, heaped fulsome praise on Hu Jintao for setting a "healthy" precedent. Xi Jinping, declared that "Chairman Hu's important decision fully embodies his profound thinking of the overall development of the Party, country and military. The decision also embodies his exemplary conduct and nobility of character. "

The theme for the Congress had been set a day earlier with Party spokesman Cai Mingzhao asserting that "inner-Party democracy" would be promoted but that "the leading position of the CCP in China is a decision made by history and the people". A banner wrapped around the inner walls of the room in the Great Hall of the People reading: "Hold high the banner of socialism with Chinese characteristics, use Deng Xiaoping Theory, the Three Represents and the Scientific Outlook on Development as our guidelines!", echoed the sentiment.

II HU JINTAO'S WORK REPORT

Important political documents relating to the Party Congress are: Hu Jintao's 30,000-character, 12-part, Work Report to the 18th Party Congress and Xi Jinping's speeches of November 16 and 17, 2012.

Jintao's Work Report had Hυ a strong undercurrent of Marxist and Maoist ideology. It included references to Marxism-Leninism-Mao Zedong Thought, twice mentioned the 'Four Cardinal Principles'-- a phrase coined by Deng Xiaoping but usurped by the 'Leftists'-- and spoke of strengthening "core socialist values". He used the phrase associated with Mao Zedong of "let a hundred flowers bloom and a hundred thoughts contend" and spoke of continuing to adapt Marxism to China's conditions. The mentioned reform 86 times and called for doubling GDP by 2021 from 2010 levels. The Report said "economic entities under all forms of ownership have equal access to factors of production in accordance with law"..."and are protected as equals", but the emphasis was Hu Jintao's Work Report had a strong undercurrent of Marxist and Maoist ideology. It included references to Marxism-Leninism-Mao Zedong Thought, twice mentioned the 'Four Cardinal Principles'- a phrase coined by Deng Xiaoping but usurped by the 'Leftists'- and spoke of strengthening "core socialist values".

noticeably on "common prosperity" economic policies that benefit peasants and rural folk. Emphasizing gradual reform it cautioned that "in economic structural reform how to strike a balance between the role of the government and that of the market..." must be examined. Taking note of popular discontent, an entire portion of the 12-part report discussed 'social management', the euphemism for domestic security. It also simultaneously addressed popular concerns. For the first time ever a Work Report contained a section on 'Ecology' and referred to the need for "resource conserving" and need for society". "environmentally friendly I† acknowledgement of popular concern and the efforts of the 3000 environmentalist groups in China. As anticipated an entire section dealt with 'Defence' and emphasized that the "most important" task for the armed forces "is to win a local war in the information age". It said "China should strengthen the armed forces, protect its maritime interests and be prepared for 'local war' in the information age". "We should enhance our capacity for exploiting maritime resources. resolutely safeguard China's maritime rights and interests and build China into a maritime power". Other areas of equal importance were identified as cyber and space.

Hu Jintao's Work Report made some important observations on corruption and political reform. Referring to corruption, he was explicit in his warning that "if we fail to handle this issue well, it could prove fatal to the Party and even cause the collapse of the Party and fall of the state". On political reforms, which were advocated by 'liberal' Chinese intellectuals in a series of articles and speeches in the months before the 18th Congress, Hu Jintao was categoric in imposing limits. He said "reform of the political structure is an important part of China's overall reforms. We must continue to make both active and prudent efforts to carry out the reform of the political structure

and make people's democracy more extensive, fuller in scope and sounder in practice". Setting out the Party line, he declared that "we will take neither the old road of closed door and ossified politics, nor the wrong path of changing our banners". As usual there was minimal reference to foreign policy issues in the Work Report, where only Hong Kong and Taiwan were mentioned by name.

Xi Jinping's first speech as Party General Secretary to a 'collective study session' of the Politburo was also high in ideological content. Xi Jinping, incidentally, has a doctorate in Marxist Philosophy. It emphasized the need to "uphold and develop socialism", "uphold and develop socialism with Chinese characteristics as the focus, priority..." and "make sure the 18th CCP National Congress" guidelines become a powerful ideological weapon". He asserted that "the theoretical system of socialism with Chinese characteristics is the latest achievement in applying Marxism in China. In contemporary China, to uphold the theoretical system of socialism with Chinese characteristics is to truly uphold Marxism". Xi Jinping clarified that the CCP will be the sole ruling party in China for a long time. Stating that the CCP's task is to "make the Chinese people rich, build a strong and prosperous country and rejuvenate the great Chinese nation", Xi Jinping declared "our Party will always be a strong leadership core in the historical course of upholding and developing socialism with Chinese characteristics". He listed "preventing "combating corruption" and degeneration" as priority tasks. He has followed this up over the past couple of weeks, including over the New Year, by often citing quotes and excerpts from Mao's poems.

Speaking at an enlarged meeting of the Central Military Commission (CMC) on November 16, Xi Jinping stressed the need to "take ideological and political building as the top priority in army building" and ensure the Party's "firm grip over the politically ideologically, organizationally". He reiterated the importance of "the Party's absolute leadership over the armed forces". Xi Jinping announced the criteria for promotions in the PLA: "The military must promote and appoint cadres based on their political performance and guarantee that 'guns' are always controlled by reliable people with loyalty to the Party." He ordered the military to 'always put the country's sovereignty and security first, comprehensively improve the military's deterrent power and capability of real combat to protect China's sovereignty, security and development interests at an information-based age'. He pledged to enhance the anti-corruption effort and called on senior military officers to take the lead in obeying rules and regulations for self-discipline. A circular issued on December 4, detailed stringent guidelines restricting the hospitality and entertainment offered to senior PLA officers visiting subordinate formations.

III 18th PARTY CONGRESS: THREE MESSAGES

The 18th Party Congress has sent out three clear messages. These are of: continuity, re-assertion of the Party's traditional orthodox values and discipline, and retention of focus on domestic issues including gradual economic reforms leading to "common prosperity". Domestic security will receive greater attention of the Party General Secretary. The issue of the restive ethnic minorities, and particularly Tibetans, will be a high priority. This portends an increase in China's activities in Nepal and among Tibetan Buddhists.

On issues concerning sovereignty or maritime and land territorial claims, the new leadership, many of whom have been moulded by adversity during the Cultural Revolution and are mentally tough, will be less flexible and less willing to compromise. China will not reconcile from its stance on claims in the South China Sea and push the limits to attain its objective, but stop short of triggering conflict. It will exert military pressure including using economic levers.

For Beijing, the issue is not merely one of territory, but of regaining its status as the pre-eminent power of the region. To reinforce this the New Year celebrations organized by the CCP in Beijing's Great Hall of the People on Jan 1, 2013, staged "The First Annual 'Ocean China' New Year's Concert", when the audience was assured that the ocean was "China's blue-colored territory". Xi Jinping's "Chinese Dream" outlines his ambitions. The new 7-member PBSC exudes these themes.

China's neighbours, including India and Japan, should be prepared for increased pressure.

