



**U.S.-China Economic and Security
Review Commission Staff Research Report**

December 21, 2012

***The China Rising Leaders Project, Part 2:*
***Outcomes of the Chinese Communist
Party's 18th National Congress*****



by
John Dotson
USCC Research Coordinator

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Research Note:

This research report is intended to update information and analysis contained in the USCC staff research report *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (released March 2012). The latter document was the first report in the *China Rising Leaders Project*, a series of planned research papers on emerging figures and developing political trends in the People's Republic of China. The first report profiled decision-making institutions and processes for leadership succession within the Party, and offered analysis regarding China's political 2013 leadership transition. This report, the second in the series, assesses the outcomes of the Chinese Communist Party's 18th National Congress, held in November 2013. The third report in this series, *China's Emerging Leaders in the People's Liberation Army*, will be forthcoming in spring 2013.

Cover Photo:

CCP heir apparent Xi Jinping (standing, center) walks behind behind CCP General Secretary Hu Jintao (seated, front left), former CCP General Secretary Jiang Zemin (seated, front center), and Premier Wen Jiabao (seated, front right) on the opening day of the 18th CCP National Congress (Beijing, Nov. 8, 2012). Source: *Kyodo News Service*, as appearing in Willy Lam, "Hu Jintao Heads Largest Political Faction Despite setbacks at the 18th Party Congress," *WorldTribune.com*, Nov. 27, 2012.
<http://www.worldtribune.com/2012/11/27/hu-jintao-heads-largest-political-faction-despite-setbacks-at-the-18th-party-congress/>

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Executive Summary

The 18th National Congress of the Chinese Communist Party (CCP), which convened in Beijing from November 8 – 14, 2012, saw a once-in-a-decade leadership transition unfold. Following from a pattern set at the 16th Party Congress in 2002, the Party's senior official, Hu Jintao, formally retired and handed over the offices of CCP General Secretary and Chairman of the Central Military Commission to his designated *heir apparent*: 59 year-old Xi Jinping, a longtime Party functionary and the “princeling” son of a former PRC Vice-Premier. Alongside Li Keqiang, who is almost guaranteed to inherit the position of State Council Premier in March 2013, Xi Jinping will have a ten year (two-term) tenure in power before facing mandatory retirement at the 20th Party Congress in 2022.

This leadership transition is remarkable on multiple levels: It provides one of the very few examples of an authoritarian state successfully engineering a peaceful, institutionalized political succession; and it is only the second such transition that has occurred in China since the death of paramount leader Deng Xiaoping. However, under the surface of an apparently smooth succession, there were clear signs throughout 2012 of factional conflict between supporters of CCP General Secretary Hu Jintao and officials loyal to former CCP General Secretary Jiang Zemin, who has been nominally retired from all official positions since 2004. The CCP is not a monolithic entity, and rival interest groups and patronage networks compete with each other for control of policy at a national level.

Supporters of Jiang Zemin – referred to here as the “Shanghai/Princeling Faction,” for the fact that many share career experience in China's southeastern coastal regions, or are the children of senior-ranking CCP officials – came out on top in personnel selections for the Politburo Standing Committee (PBSC), the executive committee that directs state policy on a week-by-week basis. Of the seven members of the new PBSC, six (Xi Jinping, Zhang Dejiang, Yu Zhengsheng, Liu Yunshan, Wang Qishan, and Zhang Gaoli) share clear patronage linkages to Jiang Zemin. The remaining member, future Premier Li Keqiang, is a close protégé of outgoing CCP General Secretary Hu Jintao. The clout displayed by Jiang Zemin indicates that he has remained a more powerful figure behind the scenes than many analysts realized, and that the authority of actively-serving CCP leaders remains constrained by the influence of nominally retired “Party Elders.”

Personnel appointments of the 18th Party Congress also hint at the future composition of the Chinese leadership. Although loyalists of Jiang Zemin dominate the new PBSC, ten of 18 of the remaining members of the full Politburo have primary patronage ties to Hu Jintao and his “China Communist Youth League (CCYL) Faction.” As five of the seven members of the new PBSC will face mandatory retirement in 2017, there will ample room for Politburo members to move up. Furthermore, Hu Chunhua – the newly assigned CCP Guangdong Provincial Secretary, and a close protégé of Hu Jintao – obtained a seat on the Politburo, likely positioning him for high-level Party leadership in the years to come.

The outcomes of the 18th Party Congress were disappointing for advocates of reform in China. The new senior leadership of the CCP is a conservative group, with few apparent inclinations to either liberalize state control over the economy, or to loosen the CCP's unitary hold on political power. Furthermore, these new leaders will likely continue to be restrained both by the continued influence of Party Elders, and the policy preferences of powerful interest groups – such as the military and security forces, and state-owned industry – within the Party. The result will likely be significant policy continuity in the near to intermediate term, with contentious decisions on structural economic, social, and political issues further deferred into the future.

Section I:

Overview and Outcomes of the 18th Party Congress

CCP Inner-Party Politics Leading Up to the 18th Party Congress

2012 was a dramatic year for politics in the People's Republic of China (PRC). The spring and summer witnessed the political and personal downfall of Bo Xilai, the former Chinese Communist Party (CCP) Secretary of Chongqing. At the beginning of the year, Bo had appeared to be a strong contender for advancement to a seat on the CCP Politburo Standing Committee (PBSC), the highest tier of power in the Chinese government; but by early autumn he had been sacked from all his offices and expelled from the CCP, with clear indications that he will be prosecuted for corruption and other alleged offenses.¹

The Bo Xilai affair provided a glimpse into serious factional rivalries within the highest echelons of the Party, as well as hints of backroom intrigue and jockeying for position in the months leading up to November's 18th CCP National Congress. Other instances of political infighting during the past year – such as rumored tensions between CCP General Secretary Hu Jintao and fellow PBSC member Zhou Yongkang, and the apparent sidelining of Hu's longtime protégé Ling Jihua (*see p. 7*) – further suggested that the CCP's preparations for a once-in-a-decade leadership transition had grown highly contentious.

It is likely that many of the key decisions on personnel revealed at the 18th Party Congress were made by senior CCP power brokers in closed-door discussions at the Beidaihe leadership retreat in August 2012.² However, the late scheduling of the Party Congress – not convened this year until November – suggests that jockeying for position likely continued into the early autumn months.³ Serious internal Party rivalries between the CCP's major factions were also strongly suggested by developments throughout 2012 in the lead-up to the November leadership transition. (For more information on the Bo Xilai affair, the August 2012 Beidaihe leadership conference, and the major factional divisions within the CCP, see the Commission's *2012 Annual Report to Congress*, Chapter 6, "China's Political Transitions in 2012.")

¹ Bo Xilai has been accused in the Chinese state press of corruption and "violat[ing] Party discipline", a nearly certain indicator that a higher-level political decision has been made to subject him to prosecution. [See *Xinhua News Service* (in English), "Bo Xilai Expelled from CPC [Communist Party of China], Public Office," September 28, 2012.] For a fuller discussion of the Bo Xilai case, see U.S.-China Economic and Security Review Commission, *2012 Annual Report to Congress* (Washington, DC: Government Printing Office, Nov. 2012), pp. 431-436.

² U.S.-China Economic and Security Review Commission, *2012 Annual Report to Congress* (Washington, DC: Government Printing Office, Nov. 2012), pp. 443-444.

³ CCP Party Congresses are convened every five years, usually in the early to mid-autumn timeframe. The last CCP Congress to be so delayed was the Sixteenth (held in Beijing from November 8-14, 2002), which was widely believed to have been delayed over contentious issues such as the official retirement of Jiang Zemin, and selections for the membership of the "Fourth Generation" Politburo. As stated by Dr. Susan Shirk in Sep. 2002, "Because the [summer leadership retreat] meetings at Beidaihe apparently were unable to resolve the succession issue," the 16th Congress, "originally scheduled for September or October, will be delayed until November." See Susan Shirk, "The Succession Game," in Gang Lin & Susan Shirk (eds.), *The 16th CCP Congress and Leadership Transition in China* (Woodrow Wilson Center, Sep. 2002). http://dss.ucsd.edu/~mshugart/XVI_Congress_CCP.pdf.

Indications of Internal Factional Struggle: Hu Jintao vs. Zhou Yongkang?

Throughout 2012, there was a persistent rumor throughout China-watching circles that the Politburo Standing Committee would be reduced in size from nine to seven seats.⁴ This move was reportedly under consideration in order to reduce the power of the Politburo-level “Politics and Law” Leading Small Group, which exercises control over China’s police, judiciary, and security and intelligence agencies.⁵ According to various media reports, some party officials had grown concerned over the power vested in the chairman of this committee and wished to see this position downgraded from the Standing Committee to the full Politburo.⁶

Furthermore, there were widely reported rumors of tensions between the Hu Jintao - Wen Jiabao leadership team and Zhou Yongkang (a protégé of former CCP General Secretary Jiang Zemin, and of former PRC Vice-President Zeng Qinghong), the incumbent chairman of the Politics and Law Leading Small Group, over the handling of the Bo Xilai affair and other issues.⁷ These rumors of infighting were given credence by an announcement in March – immediately on the heels of the sacking of Bo Xilai – that 3,300 police and security officials from around the country would be brought to Beijing for mandatory ideological “retraining.”⁸ In May, the backroom struggle appeared to be further highlighted by the unusual publication of an open letter by retired CCP officials to Hu Jintao: The letter requested that General Secretary Hu sack Zhou Yongkang, on the grounds that Mr. Zhou was an ally of Bo Xilai and supported Mr. Bo’s goals of a Maoist ideological revival.⁹

However, Zhou Yongkang was not purged from his position – and in fact, adopted a higher profile of public appearances during the summer and early autumn months. For example, in early September Zhou conducted inspection tours of Anhui and Guizhou Provinces (*see image following page*);¹⁰ and from September 22-24, Zhou traveled to Afghanistan and Turkmenistan as the head of a high-level

⁴ The size of the CCP Politburo Standing Committee (PBSC) has changed over time, from between five to 11 members. Throughout most of the 1980s, its membership held steady at five. This was increased to seven seats in 1992, at the time of Hu Jintao’s entry into the PBSC, and then increased again to nine seats in 2002, at the time of Hu Jintao’s accession to CCP general secretary and Jiang Zemin’s nominal retirement. In the latter case, the increase in the number of seats helped Jiang Zemin to pack the PBSC with supporters from his patronage network.

⁵ For a profile of the major “leading small groups” on the central CCP leadership, see Alice Miller, “The CCP Central Committee’s Leading Small Groups,” *China Leadership Monitor* 26 (Fall 2008); and John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission Staff Research Report, March 23, 2012), pp. 15-16 and 27-28.

⁶ Mark Jia, “Will China Continue to ‘Turn Against Law’?” *Asia Unbound* (affiliated blog of the Council on Foreign Relations), July 31, 2012, <http://blogs.cfr.org/asia/2012/07/31/will-china-continue-to-turn-against-law/>; and Chris Buckley, “China Considers Downgrading Domestic Security Tsar in Next Line-Up,” *Reuters*, August 30, 2012.

⁷ Barbara Demick, “China Coup Rumors May Be Wild, But Tension Is Real,” *Los Angeles Times*, March 22, 2012.

⁸ *Radio Free Asia*, “Security Officials Summoned to Beijing,” March 22, 2012.
<http://www.rfa.org/english/news/china/security-03222012102026.html>.

⁹ Michael Bristow, “China Veterans Urge Sacking of Politician Zhou Yongkang,” *BBC News Online*, May 16, 2012.
<http://www.bbc.co.uk/news/world-asia-china-18091298>.

¹⁰ “Chinese Leader Calls For Improved Law Enforcement, Social Management Capabilities,” *Xinhua News Service*, September 06, 2012. <http://www.globaltimes.cn/DesktopModules/DnnForge%20-%20NewsArticles/Print.aspx?tabid=99&tabmoduleid=94&articleid=731553&moduleid=405&PortalID=0> ; and “Social Management Urged for SW China Province,” *China Daily*, Sep. 10, 2012.
http://www.chinadaily.com.cn/china/2012-09/10/content_15748446.htm.

delegation that included CCP International Liaison Department Director Wang Jiarui and Minister of State Security Geng Huichang.¹¹



Image: Zhou Yongkang (center) holds a photo-op with ethnic minorities in Pingba County, Guizhou Province, Sept. 8, 2012.¹²

Indications of Internal Factional Struggle: The Sidelining of Ling Jihua?

Prior to the leadership transition, many observers identified Ling Jihua as an up-and-coming figure in Chinese politics. Mr. Ling had served since 2007 as the director of the CCP General Office and a member of the CCP Central Secretariat, “making him a very influential ‘go-to’ figure in attending to the needs of the CCP’s top-tier leadership.”¹³ Ling has been long-time protégé of CCP General Secretary Hu Jintao – sharing with Hu a background of service in the Communist Youth League dating back to the 1980s,¹⁴ and serving in more recent years as a personal secretary and prominent aide.¹⁵ Some expert analysts had identified Ling as a strong contender for the Politburo or even the Politburo Standing Committee, based on the expectation that Hu Jintao would ensure space in the highest echelon of the Party for his loyal protégé and *majordomo*.¹⁶

¹¹ “Zhou Yongkang – Recent Travel & Appearances,” *ChinaVitae.com*, dated Oct. 10, 2012, http://www.chinavitae.com/biography/Zhou_Yongkang/travel; and Peter Mattis, “Zhou Yongkang’s Trip Highlights Security Diplomacy,” *China Brief*, Vol. 12 No. 19 (October 5, 2012).

¹² Source: “Senior Official Urges Social Management for SW China Province,” *Xinhua News Service*, Sep. 9, 2012. http://news.xinhuanet.com/english/china/2012-09/10/c_131841150.htm

¹³ U.S.-China Economic and Security Review Commission, *2012 Annual Report to Congress* (Washington, DC: Government Printing Office, Nov. 2012), p. 444.

¹⁴ From 1985 to 1995, Ling Jihua served in senior administrative and propaganda positions in the Communist Youth League. (ChinaVitae.com, “Ling Jihua 令计划,” biographical profile.

http://www.chinavitae.com/biography/Ling_Jihua/career.) Hu Jintao served from 1982 to 1985 as the national secretary for the Communist Youth League. (ChinaVitae.com, “Hu Jintao 胡锦涛,” biographical profile. http://www.chinavitae.com/biography/Hu_Jintao/career.)

¹⁵ As one example, see mention of Ling Jihua traveling in Hu Jintao’s entourage in People’s Republic of China, “Hu Jintao Arrives in Washington, Kicking off His State Visit to the U.S.” (Beijing: Ministry of Foreign Affairs press release, January 19, 2011). <http://www.fmprc.gov.cn/eng/topics/hjtzxdmqfw/t788243.htm>.

¹⁶ Cheng Li, “Ling Jihua 令计划,” *China’s Top Future Leaders to Watch* (Washington, DC: The Brookings Institution web portal, undated). http://www.brookings.edu/about/centers/china/top-future-leaders/ling_jihua.

On September 1st – roughly two weeks after the Beidaihe conference, and two months prior to the convening of the 18th Party Congress – PRC state media made the unexpected announcement that Ling Jihua was being transferred to become the director of the CCP United Front Work Department (UFWD). Ling's replacement at the CCP General Office was Li Zhanshu, an official with close ties to then-CCP *heir apparent* Xi Jinping.¹⁷ The reason for this unusual lateral move was initially unclear: Some analysts interpreted the move as a demotion,¹⁸ while others speculated that the move might lay the groundwork for Ling to assume the united front policy portfolio in the Politburo Standing Committee in 2017.¹⁹ However, at the 18th Party Congress Ling did not receive a seat on the full Politburo, signaling that his move to the UFWD was indeed a soft-landing demotion.



Image left: Ling Jihua looks on as CCP General Secretary Hu Jintao signs a document during the convening of the PRC National People's Congress, March 2010. Politburo Member Liu Yunshan is also visible in the photo (walking directly behind Hu Jintao).²⁰



Image right: A photo circulated on the Chinese language internet, purporting to show the scene of the March 18, 2012 car crash in which Ling Gu (son of Ling Jihua) was killed.²¹

Although many details remain sketchy, the derailing of Ling Jihua's career ascent appears linked to a Beijing car crash in March, in which a young man was killed and two unidentified young women severely injured. In the immediate aftermath of the crash, there were widespread rumors that the son of a senior official had been involved; much of the initial speculation centered on Jia Qinglin, then the fourth-ranking member of the CCP hierarchy and a close ally of retired CCP General Secretary Jiang Zemin.²² However, in early September more credible and detailed media reports indicated that the fatality from

¹⁷ Jeremy Page, "Ally of Next Chinese Leader Moves into Key Role," *Wall Street Journal* (online edition), Sep. 2, 2012. <http://online.wsj.com/article/SB10000872396390443571904577627052025714854.html>.

¹⁸ David Barboza, "Party Intrigue Seen in China as Official Is Demoted," *New York Times*, September 1, 2012.

¹⁹ U.S.-China Economic and Security Review Commission, *2012 Annual Report to Congress* (Washington, DC: Government Printing Office, Nov. 2012), p. 444.

²⁰ Image source: Mark Memmott, "Rumors of Son's Sexcapade Behind a Ferrari's Wheel Rock China's Leadership," *National Public Radio*, Sep. 4, 2012. <http://www.npr.org/blogs/thetwo-way/2012/09/04/160534144/rumors-of-sons-sexcapade-behind-a-ferraris-wheel-rock-chinas-leadership>.

²¹ Image source: Jeremy Page, "Crash Puts New Focus on China's Leaders," *Wall Street Journal* (online edition), Oct. 22, 2012. <http://online.wsj.com/article/SB10000872396390443768804578034290553181894.html>.

²² For one example of such speculation, see Ben Hedges and Kathleen Zhang, "Ferrari Crash Death in Beijing Might Be Party Official's Illegitimate Son," *New Tang Dynasty Television* (online), March 19, 2012. <http://ntdtv.org/en/news/china/2012-03-19/ferrari-crash-death-in-beijing-might-be-party-official-s-illegitimate-son.html>.

the crash was Ling Jihua's son Ling Gu, and that Ling Jihua had engaged in an unsuccessful cover-up of the incident in order to avoid the politically damaging exposure of his son's reckless lifestyle.²³

According to some reports, the incident was used by Jiang Zemin and his Shanghai/Princeling Faction supporters as leverage over Hu Jintao amid the backroom jockeying for senior personnel appointments that preceded the 18th Party Congress.²⁴ As described by Chris Johnson of CSIS, "Jiang's adroit manipulation of the incident [was] a political masterstroke on the eve of the handover... [providing] testament to the lingering influence of a leader who has nominally been retired for nearly a decade."²⁵

Overview of the 18th Party Congress

As noted in the previous report in this series,

*The Chinese Communist Party National Congress is a national convention of the CCP. Although in the earlier history of the CCP Party Congresses were held at irregular intervals, since the 11th Party Congress in 1977 the event has been held regularly every five years. The number of participants varies, but recent Congresses have had just over 2,000 delegates. The National Party Congress is nominally the "highest leading authority" of the CCP and selects from its ranks those who will serve in the Party's most senior bodies: the Central Committee, the Politburo, and the Politburo Standing Committee.*²⁶

This year's congress marked a once-in-a-decade transition of major leadership posts, following from a model established at the 16th Party Congress in 2002. The 16th Party Congress saw the formal retirement of CCP General Secretary Jiang Zemin (in office since 1989) and the succession of Hu Jintao to that position, as well as the ascension of other officials of what was termed the CCP's "Fourth Generation" of leadership cadres. In tandem with the just-concluded 18th Congress, these events have solidified a new pattern of CCP leadership succession: One in which a new dual leadership team of CCP General Secretary and PRC Premier have a decade (two terms) in office before turning over their titles to younger successors. Additionally, the 2002 and 2007 congresses have seen the codification of enforced norms of mandatory official retirement, forcing officials aged 68 or older to retire.²⁷ However, many nominally retired CCP officials remain powerful behind the scenes as "Party Elders," exercising influence over major policy decisions and personnel appointments.²⁸

²³ See Mark McDonald, "In China, a Ferrari Crashes and the Party is Dented," *New York Times*, September 3, 2012; Alexa Olesen, "Ling Gu Death: Sex Games In Ferrari Crash Lead To New Chinese Political Scandal," *Huffington Post*, September 4, 2012. http://www.huffingtonpost.com/2012/09/04/ling-gu-death-sex-games-ferrari-crash_n_1853698.html.

²⁴ Jonathan Ansfield, "How crash Cover-Up Altered China's Succession," *New York Times* (online), Dec. 4, 2012. <http://www.nytimes.com/2012/12/05/world/asia/how-crash-cover-up-altered-chinas-succession.html?pagewanted=1&r=0>.

²⁵ Chris Johnson, "What Ling Jihua's Transfer Means for China's Leadership Transition," *Asia Policy Blog* (Center for Strategic and International Studies), Sep. 10, 2012. <http://coqitasia.com/what-ling-jihua%E2%80%99s-transfer-means-for-china%E2%80%99s-leadership-transition/>.

²⁶ John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission Staff Research Report, March 23, 2012), pp. 8.

²⁷ John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission Staff Research Report, March 23, 2012), p. 19-20.

²⁸ For further discussion of the role of "Party Elders," see U.S.-China Economic and Security Review Commission, *2012 Annual Report to Congress* (Washington, DC: Government Printing Office, Nov. 2012), p. 441-442.

The 18th Party Congress finally convened on November 8th, 2012, with an audience of 2,307 delegates. True to historical norms it lasted one week, recessing on November 14th.²⁹ As expected, the 18th Congress saw a major turnover in the top two leadership bodies of the Party: the CCP Politburo and its executive committee, the CCP Politburo Standing Committee (PBSC). Seven of nine incumbent members of the PBSC stepped down, with five new members joining the committee; and 14 of 24 members of the full Politburo similarly went into retirement, replaced by 15 new members.³⁰

Membership in CCP Leadership Organs: Election or Selection?

Official CCP propaganda praises the Party Congresses as model examples of the PRC's "democratic" system, in which regional and institutional Party branches elect delegates to represent them at the national level.³¹ However, the actual process is far more top-down: higher echelons screen the membership of subordinate Party organizations, and the course and content of the congresses are "tightly monitored and controlled by the party secretary general and members of the Politburo."³²

There is a very limited form of "election" regarding candidates for the CCP Central Committee, a body composed of roughly 350 – 400 of the Party's most senior members. Delegates to the Party Congress are provided with a slate of candidates, and then vote from this list. As described by Sinologist Cheng Li,

*...the Chinese authorities have adopted a method of multi-candidate election known as a 'more candidates than seats election' (cha'e xuanju) for the election of Central Committee members. For example, if the top leaders plan to have a 350-member Central Committee, they may place 370 names on the ballot. The 20 candidates who receive the fewest votes... are eliminated.*³³

²⁹ *Xinhua News Service* (in English), "CPC Congress Concludes, Central Committee Elected," Nov. 14, 2012. http://news.xinhuanet.com/english/special/18cpcnc/2012-11/14/c_131973664.htm.

³⁰ Cheng Li, "Opportunity Lost?: Inside China's Leadership Transition," *Foreign Policy* (online edition), Nov. 16, 2012. http://www.foreignpolicy.com/articles/2012/11/16/opportunity_lost.

³¹ "The delegates selected to attend the Party Congress are elected from within the Party... The Party committees of various provinces, autonomous regions, and municipalities directly under the central government are all predetermined electoral units. Some additional electoral units may be designated according to changes within the Party administrative structure and in departments directly under the CPC Central Committee, offices of the central governments, affiliated institutes, and the military troops. Delegates from various provinces, autonomous regions, and municipalities directly under the central government are elected by the respective Party congresses at the provincial level. Delegates from the departments directly under the CPC Central Committee, offices of the central governments, the financial sector, and the business sector are elected through respective Party meetings held by [subordinate committees of] the CPC Central Committee." See "Q&A," *Press Center of the 17th National Congress of the Communist Party of China* (online, in English), October 7, 2007. <http://english.cpcnews.cn/92277/6277861.html>.

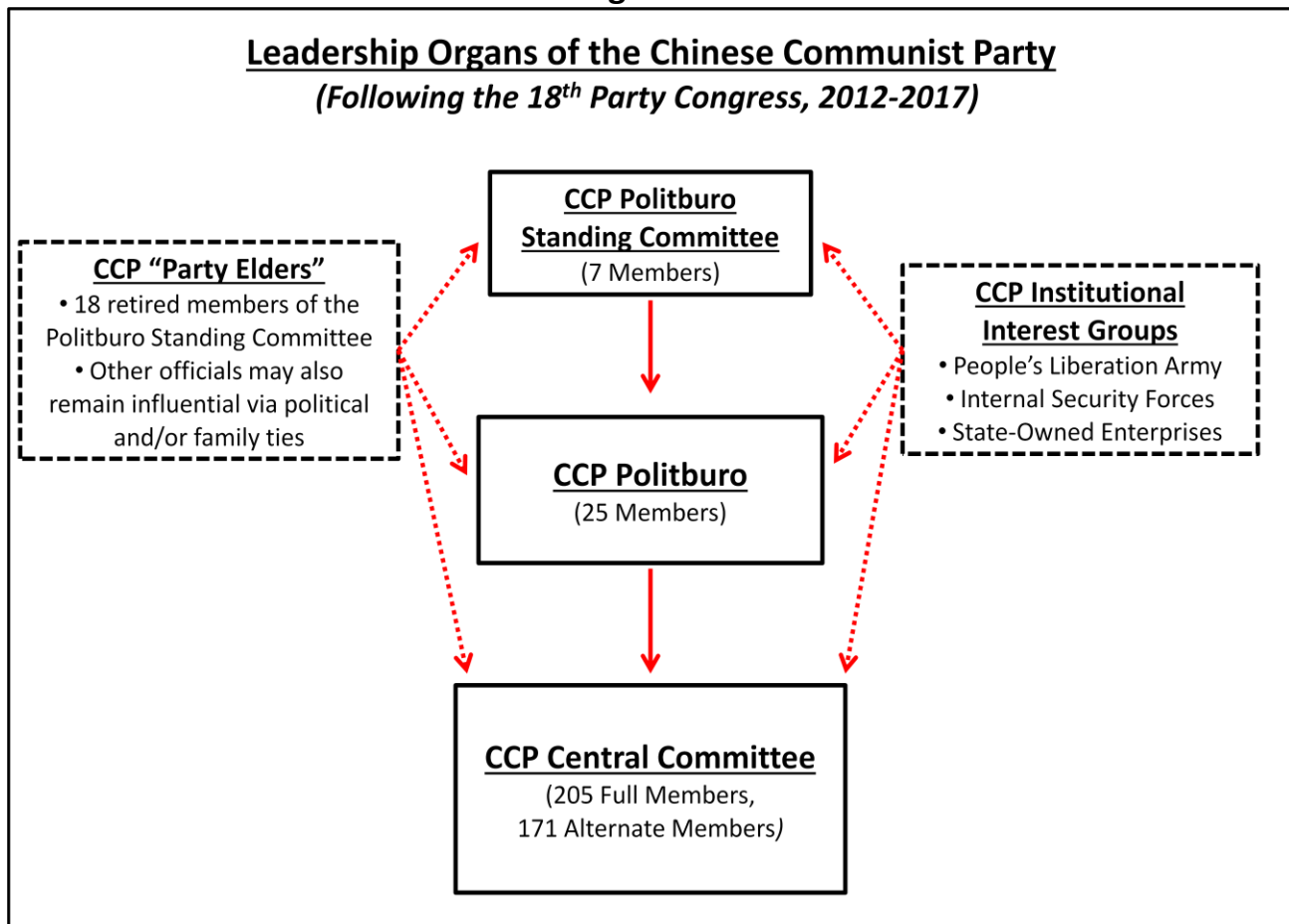
³² Victor Shih, Christopher Adolph, and Mingxing Liu, "Getting Ahead in the Communist Party: Explaining the Advancement of Central Committee Members in China," *American Political Science Review*, Vol. 106 No. 1 (Feb. 2012).

³³ Cheng Li, "Leadership Transition in the CPC: Promising Progress and Potential Problems," *China: An International Journal*, Vol. 10 No. 2 (August 2012).

In the November 2012 voting for the Central Committee, the delegates at the Party Congress elected 205 candidates from the 224 names on the provided slate for full membership (leaving the bottom 8.5 percent eliminated). In the voting for alternate members, they elected 171 members from a candidate slate of 190 (10 percent elimination).³⁴

In theory, the new Central Committee then proceeds to select the membership of the new Politburo and Standing Committee. However, the Politburo-level appointments are always worked out beforehand in secretive discussions involving the CCP's most senior leaders and retired Party Elders, such as those that take place at the Beidaihe retreats. The new members of the Central Committee do not select the Politburo members, but rather endorse the names presented to them: "The elected [Central Committee] vote[s] the Politburo, the PBSC, and the party secretary general into office. In this final round of voting, there [are] as many candidates as there [are] seats, and the [Central Committee] members without exception vote... everyone on the ballot into office."³⁵

Figure 1:



³⁴ Figures on voting results obtained from Cheng Li, "Opportunity Lost?: Inside China's Leadership Transition," *Foreign Policy* (online edition), Nov. 16, 2012, http://www.foreignpolicy.com/articles/2012/11/16/opportunity_lost. Calculations performed by the author.

³⁵ Shih, Adolph, and Liu, "Getting Ahead in the Communist Party: Explaining the Advancement of Central Committee Members in China," *American Political Science Review*, Vol. 106 No. 1 (Feb. 2012).

Ideological Themes and Political Programs Emphasized at the 18th Party Congress

Aside from its role in endorsing the new top tier of CCP leadership, the 18th Party Congress also served as an act of political theater directed to the Chinese public, and state media provided carefully managed coverage of the major events and themes of the event.³⁶ The CCP Central Propaganda Department issued strict directives to media outlets, with instructions such as “all media will use Xinhua wire copy,” and “headlines must not be changed.”³⁷



Image: Sample front pages from six Chinese newspapers (dated Nov. 5, 2012) show nearly identical formats and articles about the upcoming 18th Party Congress. Chinese media outlets faced strict directives from the CCP Propaganda Dept. regarding coverage of the event.³⁸

Amendment of the CCP Party Constitution

Adhering to historical practices, the Party Congress delegates unanimously approved amending the CCP Constitution to officially adopt the ideological program most closely associated with the Party's retiring senior leader: Hu Jintao's “Scientific Outlook on Development” was enshrined alongside Marxism-

³⁶ William Kazer and Olivia Geng, “Party Congress: The Show Must Stagger On,” *Wall Street Journal China Real-Time Report* (online), Nov. 15, 2012, <http://blogs.wsj.com/chinarealtime/2012/11/15/18th-party-congress-the-show-must-stagger-on/>.

³⁷ Quotes taken from a leaked memorandum from the CCP Propaganda Dept., as reported in Anne Henochowicz, “Ministry of Truth: Spirit of the 18th Party Congress,” *China Digital Times*, Nov. 21, 2012. <http://chinadigitaltimes.net/2012/11/ministry-of-truth-spirit-of-the-18th-party-congress/>.

³⁸ Source: Barry van Wyk, “Preparations for 18th Party Congress Dominate the Newspapers, with a Few Exceptions,” posting on the website *Danwei.com*, Nov. 5, 2012. <http://www.danwei.com/preparations-for-18th-party-congress-dominate-the-newspapers-with-a-few-exceptions>.

Leninism, Mao Zedong Thought, Deng Xioping Thought, and Jiang Zemin's theory of the "Three Represents." The "Scientific Outlook," an idea introduced in October 2003 and promoted by the Hu Jintao – Wen Jiabao leadership team throughout their tenure, "advocates sustainable and efficient economic and social development instead of breakneck growth at the expense of the environment and society."³⁹

This concept promised an increased effort to focus development efforts on China's poorer inland and rural regions, and to address acute social problems such as environmental pollution and rapidly widening disparities of wealth; and by implication, to place less emphasis on the rapid economic development of China's southeastern coastal regions. However, the continued worsening of many of China's social ills over the past decade – most particularly corruption, income disparity, and social unrest – calls into question the extent to which the "Scientific Outlook on Development" translated from narrative into actual policy.⁴⁰

Presentation of the Leadership's Official Work Report⁴¹

A centerpiece of the 18th Party Congress was the presentation of the official work report of the Party leadership, delivered as a lengthy speech by outgoing General Secretary Hu Jintao. Part policy blueprint and part self-congratulatory propaganda, the work report provided a catalogue of the leadership's successes, as well as the continued challenges faced by the Party – all with an eye towards "winning the future and attaining the goal of completing the building of a moderately prosperous society in all respects by 2020."

In discussion of foreign policy, the report vowed that "[w]e are firm in our resolve to uphold China's sovereignty [and] security... and will never yield to any outside pressure," while providing balancing reassurances of China's peaceful intentions towards its neighbors. The report sounded a note of concern regarding "signs of increasing hegemonism, power politics and neo-interventionism" in the world – all terms frequently invoked in CCP discourse to make veiled reference to the influence of the United States in international affairs.

However, most of the work report focused on China's pressing domestic and economic problems, while projecting confidence in the Party's ability to meet these daunting challenges. A particular theme stressed throughout the speech was the need to continue promoting balanced and sustainable economic development throughout the country, per the "Scientific Outlook on Development." The report also sounded a strong cautionary note about corruption as a problem that "could prove fatal to the Party, and even cause the collapse of the Party and the fall of the state." However, Hu firmly rejected any efforts at reform that could undermine the power of the CCP – "we will never copy a Western political system" – calling instead for strengthening the Party's governing capacity, and its own internal disciplinary inspection system.

³⁹ Wu Jiao and Fu Jing, "Amendment Fine Tunes Nation's Growth Trajectory," *China Daily* (online, in English), Nov. 15, 2012. http://www.chinadaily.com.cn/cndy/2012-11/15/content_15930093.htm.

⁴⁰ For representative discussion of these issues. See U.S.-China Economic and Security Review Commission, *Hearing and Roundtable on China's Internal Dilemmas*, testimonies of Elizabeth Economy and Yukon Huang, Feb. 25, 2011.

⁴¹ Information and quotations in this section are drawn from CCP General Secretary Hu Jintao, "Firmly March on the Path of Socialism with Chinese Characteristics and Strive to Complete the Building of a Moderately Prosperous Society in All Respects," report delivered to the 18th National Congress of the Communist Party of China, Nov. 8, 2012. Full text English translation available at *Xinhua News Service*, "Full Text of Hu Jintao's Report at 18th Party Congress," Nov. 17, 2012. http://news.xinhuanetcom/english/special/18cpcnc/2012-11/17/c_131981259.htm.

Section II: The New Senior Leadership of the Chinese Communist Party

Amid a carefully scripted and choreographed event, the only real suspense of the 18th Party Congress lay in the announcement of the new members of the 18th CCP Politburo – and in particular, the smaller executive Politburo Standing Committee that actually directs state policy on a week-by-week basis. The line-up was decided in advance; however, to maintain the fiction that the Party Congress selects the membership of the CCP's higher leadership organs, the new members could not be announced until its conclusion. The new PBSC leadership was unveiled for the first time at a press conference on November 15th, the day after the formal end of the congress.

Repeating a time-worn tradition, the members of the new PBSC took the stage according to their formal Party rank order, first to last. The first two men on the stage, and the only incumbents from the 17th PBSC to retain their seats, were Xi Jinping (the newly promoted CCP General Secretary) and Li Keqiang (PRC Premier-designate⁴²). They were followed in order by: Zhang Dejiang, Yu Zhengsheng, Liu Yunshan, Wang Qishan, and Zhang Gaoli (*see image below*). A brief profile of each man, and his new policy responsibilities, is contained in the chart on the following page.

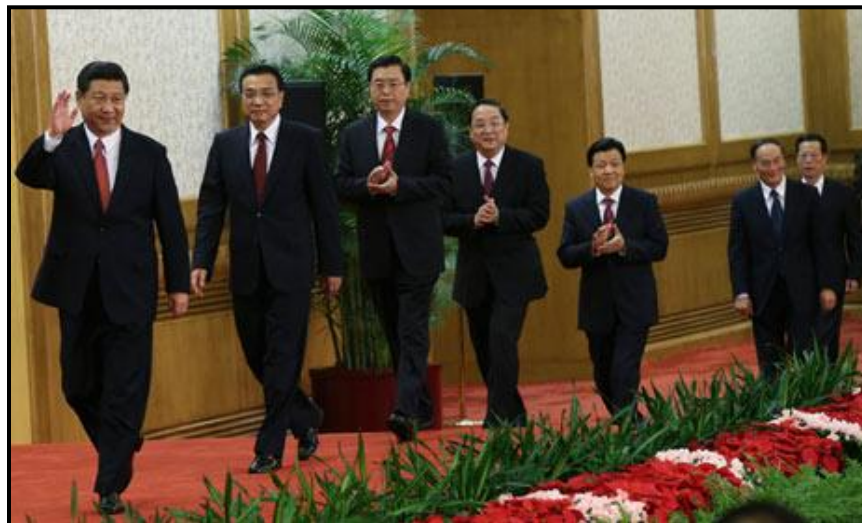




Image: The seven members of the new PBSC appear following the close of the 18th Party Congress, Nov. 15th, 2012. They took the stage in formal rank order, led by new CCP General Secretary Xi Jinping (left). The officials following Xi, are, from left to right: Li Keqiang, Zhang Dejiang, Yu Zhengsheng, Liu Yunshan, Wang Qishan, and Zhang Gaoli.⁴³

⁴² CCP Party Congresses take place every fifth year in the autumn; the accompanying National People's Congress (NPC) is normally convened in spring of the following year (usually March) to rubber-stamp state (as distinct from Party) appointments. Therefore, at the NPC expected to convene in March 2013, Xi Jinping will be designated PRC President, and Li Keqiang will be designated PRC Premier. It is similarly expected that, in the same forum, Zhang Dejiang will assume the chairmanship of the NPC, and that Liu Yunshan will become PRC Vice-President.

⁴³ Image source: Jonathan Kaiman, "Chinese Leadership: Speculation Begins on Who Will Take Power in 2022," *The Guardian* (UK), Nov. 15, 2012. <http://www.guardian.co.uk/world/2012/nov/15/chinese-leadership-speculation-begins-2022>.

Figure 2:
The 18th CCP Politburo Standing Committee
(2012 – 2017, following the 18th Party Congress)

Members (Arranged by descending order of official rank, left to right)	 Xi Jinping 习近平 (Princeling)	 Li Keqiang 李克强	 Zhang Dejiang 张德江 (Princeling)	 Yu Zhengsheng 俞正声 (Princeling)	 Liu Yunshan 刘云山	 Wang Qishan 王岐山 (Princeling)	 Zhang Gaoli 张高丽
Confirmed and/or Expected Title(s)	CCP General Secretary; PRC President; Chair, Central Military Commission	PRC Premier	Chairman, National People's Congress	Chairman, Chinese People's Political Consultative Conference	President, Central Party School; Exec. Secretary, Secretariat; PRC Vice-President*	Director, Central Discipline Inspection Commission	PRC Executive Vice-Premier
Portfolio	General (lead voice on foreign policy--Chair, Foreign Affairs LSG)	Economics / Domestic Policy (Chair, Economics & Finance LSG)	General / Legislative Affairs	United Front Activities (Chair, United Front Work LSG)	Party Affairs (Chair, Party Building LSG)	Internal Party Discipline (Anti-Corruption)	Economics / Domestic Policy (Vice-Chair, Economics & Finance LSG)
Year / Place of Birth	1953, Shaanxi Province	1955, Anwei Province	1946, Liaoning Province	1945, Zhejiang Province	1947, Shanxi Province	1948, Shanxi Province	1946, Fujian Province
Previous Positions	PRC Vice-President; President, Central Party School; Shanghai CCP Secretary	Liaoning CCP Secretary; Henan Governor and CCP Secretary	Chongqing CCP Secretary; PRC Vice-Premier; Guangdong CCP Secretary	Hubei CCP Secretary; Minister of Construction	Director, Central Publicity Dept.; Inner Mongolia CCP Deputy Secretary	Mayor of Beijing; Exec. Chairman, Beijing Olympic Committee	Tianjin CCP Secretary; Shandong CCP Secretary
Factional / Patronage Affiliation	Shanghai / Princeling Faction	CCYL Faction	Shanghai / Princeling Faction	Shanghai / Princeling Faction	Experience in CCYL, but a protégé of Jiang Zemin	Shanghai / Princeling Faction	Shanghai / Princeling Faction

* Note: It is currently unknown who will be appointed Vice-President of the PRC at the National People's Congress expected to convene in March 2013. However, in recent years this office has been awarded to the person holding the party affairs portfolio in the PBSC: Hu Jintao (1998-2003), Zeng Qinghong (2003-2008), and Xi Jinping (2008-present).

Trends in the Chinese Political Leadership as Revealed at the 18th Party Congress

The membership of the new Politburo Standing Committee (PBSC) that was announced at the end of the 18th Party Congress on Nov. 15th followed most parts of the expected script: Most notably, Hu Jintao formally stepped down as the senior leader of the CCP, handing his duties over to Xi Jinping. Also in keeping with recent norms, age limits for mandatory retirement were maintained, with all Party cadres aged 68 or older stepping down from their posts. However, in the outcomes of the 18th Party Congress there were some significant surprises and a number of perceivable trends, which are further detailed below.

1. Downsizing of the Politburo Standing Committee

The executive committee of the CCP Politburo, the Politburo Standing Committee (PBSC), was reduced in size from nine to seven seats.⁴⁴ The 16th (2002) and 17th (2007) Congresses both produced nine-man PBSCs, with each seat clearly linked to a particular position, and/or policy portfolio.⁴⁵ Based on this pattern, some experts on elite CCP politics had assessed that seats on the PBSC were becoming more standardized and “professionalized” – with representation provided for key institutional interest groups within the Party, and greater consideration given to the qualifications of individual candidates.⁴⁶ However, this pattern has now been broken.

The new seven-man line-up and its attendant policy portfolios match those of the two preceding PBSCs, with the notable exceptions that responsibility for two portfolios – propaganda, and security and intelligence – appear to have been downgraded to members of the full Politburo. Such a move had been widely rumored prior to the 18th Party Congress, and returns the PBSC line-up to a model seen in the later years of Jiang Zemin’s tenure (1997-2002, following the 15th Party Congress).⁴⁷ The reasons for downgrading these portfolios are unknown. However, speculation has included a concern among senior

⁴⁴ The size of the CCP Politburo Standing Committee has changed over time, from between five to 11 members. Throughout most of the 1980s, its membership held steady at five. This was increased to seven seats in 1992, at the time of Hu Jintao’s entry into the Standing Committee; and then increased again to nine seats in 2002, at the time of Hu Jintao’s accession to the post CCP General Secretary and Jiang Zemin’s nominal retirement. In the latter case, the increase in the number of seats helped Jiang Zemin to pack the Standing Committee with supporters from his patronage network.

⁴⁵ The positions / policy portfolios from the 2002 and 2007 nine-man PBSCs were: CCP General Secretary and PRC President; Chairman, National People’s Congress; PRC Premier (macroeconomic policy portfolio); Chairman, Chinese People’s Political Consultative Conference (united front portfolio); PRC Vice-President and President, Central Party School (party affairs portfolio); propaganda policy portfolio; PRC First Vice-Premier (supporting macroeconomic policy portfolio); Director, CCP Central Disciplinary Inspection Commission (anti-corruption portfolio); and Chairman, Politics and Law Leading Small Group (security, legal affairs, and intelligence portfolio). [See Alice Miller, “The CCP Central Committee’s Leading Small Groups,” *China Leadership Monitor*, No. 26 (Autumn 2008); and Alice Miller, “The 18th Central Committee Politburo: A Quixotic, Foolhardy, Rashly Speculative, But Nonetheless Ruthlessly Reasoned Projection,” *China Leadership Monitor*, No. 33, Summer 2010; and John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission Staff Research Report, March 23, 2012), pp. 27-28.]

⁴⁶ As an example, see Alice Miller, “The 18th Central Committee Politburo: A Quixotic, Foolhardy, Rashly Speculative, But Nonetheless Ruthlessly Reasoned Projection,” *China Leadership Monitor*, No. 33, Summer 2010.

⁴⁷ Melanie Hart, “Beijing to Announce New Leaders and Their Portfolios,” Center for American Progress, Nov. 2, 2012. <http://www.americanprogress.org/issues/china/news/2012/11/02/43476/beijing-to-announce-new-leaders-and-their-portfolios/>.

CCP officials that the position of security czar had grown too powerful;⁴⁸ or that Party power brokers hoped that a smaller PBSC could more easily reach consensus on difficult policy decisions.⁴⁹

2. The (Apparent) Triumph of Jiang Zemin and the Shanghai/Princeling Faction

In the highly personal elite politics of the PRC, outgoing leaders count on reliable protégés to continue their policies and protect their interests: As stated by Dr. Cheng Li of the Brookings Institution, “[i]n Beijing, perhaps even more than in Washington, personnel is policy.”⁵⁰ Of the two most senior-ranking members of China’s new “Fifth Generation” leadership, CCP General Secretary **Xi Jinping** holds patronage ties to former CCP General Secretary Jiang Zemin and his Shanghai/Princeling Faction, while PRC Premier-designate **Li Keqiang** is a protégé of Hu Jintao and a loyalist of Hu’s China Communist Youth League (CCYL) faction. *(For further discussion of factional politics within the Chinese Communist Party, see the Commission’s 2012 Annual Report to Congress, Chap. 6: “China’s Political Transitions in 2012.”)*

In terms of competition for seats on the Politburo Standing Committee, former CCP General Secretary Jiang Zemin and his Shanghai/Princeling Faction ran the table at the 18th Party Congress. Four out of five of the new PBSC members – **Zhang Dejiang, Yu Zhengsheng, Wang Qishan, and Zhang Gaoli** – have clear ties to the patronage network of Jiang Zemin and his close ally, former PRC Vice-President Zeng Qinghong.⁵¹ The final new addition to the PBSC, **Liu Yunshan**, has work experience in the CCYL and in the poorer inland province of Inner Mongolia, both factors that would appear to align him with Hu Jintao. However, Liu also enjoys close patronage ties with Jiang Zemin – closer, perhaps, than his ties to Hu Jintao.⁵² This makes Li Keqiang the only clear voice of the CCYL Faction in new PBSC, and leaves him “surrounded by Jiang Zemin’s people... in the standing committee, he’s quite alone.”⁵³

The Public Reemergence of Jiang Zemin Prior to the 18th Party Congress

Jiang Zemin, the 86 year-old former General Secretary of the CCP (1989-2002), has continued to exert influence long after his official retirement. Although he relinquished the top Party post in 2002 – very reluctantly, by some accounts⁵⁴ – he has remained active behind the scenes in elite-level CCP politics, to include intervening in personnel selections and “commenting” on draft policy documents circulated among the senior leadership.⁵⁵ The 16th (2002) and 17th (2007) Politburos in office after his retirement

⁴⁸ Peter Mattis, “Zhou Yongkang’s Successor,” *The Diplomat*, June 29, 2012.

⁴⁹ Melanie Hart, “China Selects Its 7 New Leaders,” Center for American Progress, Nov. 16, 2012.

<http://www.americanprogress.org/issues/china/news/2012/11/16/45166/china-selects-its-7-new-leaders/>.

⁵⁰ Cheng Li, “Opportunity Lost?: Inside China’s Leadership Transition,” *Foreign Policy* (online edition), Nov. 16, 2012. http://www.foreignpolicy.com/articles/2012/11/16/opportunity_lost.

⁵¹ Hilary Whiteman, “Shadow of Former President Looms Over China’s New Leaders,” *CNN* (online), Nov. 16, 2012. <http://www.cnn.com/2012/11/15/world/asia/china-leadership-reaction-cheng-li/index.html>.

⁵² Tsai Chongmin (professor at National Chengchi University, Taiwan), “China After the 18th: New Leadership, Old Challenges,” paper presented at the conference *U.S. - R.O.C - P.R.C. Relations and the Asia-Pacific Region After the 18th Party Congress*, Carnegie Endowment for International Peace (Washington, DC), December 3, 2012.

⁵³ Cheng Li, as quoted in Hilary Whiteman, “Shadow of Former President Looms Over China’s New Leaders,” *CNN* (online), Nov. 16, 2012. <http://www.cnn.com/2012/11/15/world/asia/china-leadership-reaction-cheng-li/index.html>.

⁵⁴ Kjeld Erik Brødsgaard, “Jiang Finally Steps Down: A Note on Military Personnel Changes and the CCP’s Governing Capacity,” *Copenhagen Journal of Asian Studies* 19 (2004).

⁵⁵ Jeremy Page, “Chinese Party Elders Step Back In,” *Wall Street Journal* (online), Sep. 6, 2012. <http://online.wsj.com/article/SB10000872396390444301704577631932672679296.html>.

remained packed with loyalists of himself and his political right-hand man, former PRC Vice-President Zeng Qinghong.

In 2011 and early 2012, there were signs that Jiang's influence might have diminished. In summer and autumn 2011 there were widespread rumors that he was in ill health, or that he had died, after he failed to make an expected appearance at ceremonies in July marking the 90th anniversary of the founding of the CCP.⁵⁶ Furthermore, the spring 2012 purging of Bo Xilai – a figure with patronage and family ties to Jiang Zemin⁵⁷ – was widely interpreted as a political victory for Hu Jintao that could clear a path for another of Hu's protégés to enter the PBSC.⁵⁸



Image: Jiang Zemin (center) makes an appearance at an event commemorating the centennial anniversary of the overthrow of China's last imperial dynasty (Beijing, Oct. 9, 2011). Hu Jintao stands to the left. The event was Jiang's first public appearance in over three months, ending rumors that he had died.⁵⁹

However, Jiang adopted a higher profile in the months leading up to the 18th Party Congress. In February, PRC state media announced the publication of foreign language editions of the second volume of Jiang's selected works,⁶⁰ an apparent attempt to assert his status as a political thinker.⁶¹ In the early autumn weeks preceding the congress, Jiang Zemin adopted a higher profile of public appearances.⁶² These moves coincided with persistent rumors that Jiang – along with other Party Elders – was actively involving himself in the behind-the-scenes dealmaking regarding major state policies and personnel

⁵⁶ Edward Wong and Jonathan Ansfield, "Ex-President of China, Said To Be Ill, Appears In Beijing," *New York Times* (online), Oct. 9, 2011. http://www.nytimes.com/2011/10/10/world/asia/jiang-zemin-re-emerges-in-china.html?_r=0.

⁵⁷ Joseph Fewsmith, "Bo Xilai and Reform: What Will Be the Impact of His Removal?" *China Leadership Monitor*, No. 38 (Summer 2012).

⁵⁸ Willy Lam, "Hu Jintao Draws Blood with the Wang Lijun Scandal," *China Brief*, Vol. 12 Issue 5 (March 2, 2012).

⁵⁹ Source: Edward Wong and Jonathan Ansfield, "Ex-President of China, Said To Be Ill, Appears In Beijing," *New York Times* (online), Oct. 9, 2011. http://www.nytimes.com/2011/10/10/world/asia/jiang-zemin-re-emerges-in-china.html?_r=0.

⁶⁰ *Xinhua News Service* (in English), "Former Chinese President's Works Published in Foreign Languages," Feb. 18, 2012. http://news.xinhuanet.com/english/china/2012-02/18/c_131418236.htm.

⁶¹ Peh Shing Huei, "Jiang Zemin's Little hints Ahead of Leadership Change," *The Straits Times* (Singapore), May 17, 2012.

⁶² Fiona Tam, "Jiang Zemin Makes Second Public Appearance Ahead of Power Change," *South China Morning Post* (online), Oct. 21, 2012. <http://www.scmp.com/news/china/article/1065973/jiang-zemin-makes-second-public-appearance-ahead-power-change>.

appointments.⁶³ At the opening of the congress itself, Jiang occupied a prominent seat next to serving CCP General Secretary Hu Jintao.⁶⁴ As stated by Christopher Johnson of CSIS, “My sense of the games that Jiang is playing is, ‘This is my last hurrah, and I want to show that I still matter.’”⁶⁵



Image: Jiang Zemin (right) and Hu Jintao (center) clap during a speech made by Wu Bangguo (outgoing Chairman of the National People’s Congress) at the opening session of the 18th Party Congress (Great Hall of the People, Beijing, Nov. 8, 2012.)⁶⁶

Taken together, these signs – along with the continued dominance of Jiang’s followers in the new Standing Committee – indicate that Jiang Zemin has been an even more powerful figure behind the scenes than was easily visible from the outside. They also indicate that, conversely, Hu Jintao may have been a weaker political figure than many analysts realized.

3. The (Apparent) Defeat of Hu Jintao and the CCYL Faction

The political defeat of the CCYL Faction was further observable in the failure of its most prominent candidates to ascend to the Politburo Standing Committee. **Li Yuanchao**, the current head of the CCP Organization Department, had widely been viewed as one of the safest bets to move into the PBSC.⁶⁷

⁶³ Edward Wong, “Long Retired, Ex-Leader of China Asserts Sway Over Top Posts,” *New York Times* (online), November 7, 2012, <http://www.nytimes.com/2012/11/08/world/asia/jiang-zemin-ex-leader-of-china-asserts-sway-over-top-posts.html?pagewanted=all>; and Zhang Jie and Keith B. Richburg, “Jiang Zemin, the Old Boss, Wants to Become the New Boss,” *Washington Post Worldviews* (blog), Sep. 26, 2012, http://www.washingtonpost.com/blogs/blogpost/post/jiang-zemin-the-old-boss-wants-to-become-the-new-boss/2012/09/26/26462b32-07f0-11e2-afff-d6c7f20a83bf_blog.html.

⁶⁴ Keith Zhai, “Jiang Zemin Leads Show of Strength by Party Old Guard at 18th Congress,” *South China Morning Post* (online), Nov. 9, 2012. <http://www.scmp.com/news/china/article/1078153/jiang-zemin-leads-show-strength-party-old-guard-18th-congress>.

⁶⁵ Christopher Johnson, as quoted in Edward Wong, “Long Retired, Ex-Leader of China Asserts Sway Over Top Posts,” *New York Times* (online), November 7, 2012, <http://www.nytimes.com/2012/11/08/world/asia/jiang-zemin-ex-leader-of-china-asserts-sway-over-top-posts.html?pagewanted=all>.

⁶⁶ Image source: Getty Images AsiaPac, as contained in “The 18th CPC National Congress - Opening Ceremony,” *Zimbio.com*. <http://www.zimbio.com/photos/Hu+Jintao/18th+CPC+National+Congress+Opening+Ceremony/rfq1vOd6mFg>.

⁶⁷ “Li Yuanchao will have no problem obtaining [a] seat... and [will likely] be among the top four Members.” [Cheng Li, “The Battle for China’s Top Nine Leadership Posts,” *The Washington Quarterly*, 35:1 (Winter 2012).] This author (John Dotson) incorrectly predicted in March 2012 that Li Yuanchao would assume the PBSC seat of the retiring He Guoqiang (based on parallel professional experience), and become director of the Central Disciplinary Inspection

Wang Yang – until mid-December 2012 the CCP Secretary of Guangdong, and a rival to the disgraced Bo Xilai – is another Hu Jintao loyalist that many had marked on the short list for the PBSC.⁶⁸ State Councilor **Liu Yandong**, one of the few women in the upper echelons of the CCP, was also viewed by many as a contender, with some analysts marking her career experience as especially well suited for chairmanship of the Chinese People’s Political Consultative Conference, and its attendant united front policy portfolio.⁶⁹ The fact that not one of these prominent figures made the PBSC is truly striking.

The ages of Wang Yang (57) and Li Yuanchao (62) still leave them eligible for promotion to the Standing Committee in 2017. Their potential future prospects could become clearer after March 2013, were they to receive prominent State Council postings at the next National People’s Congress.⁷⁰ Liu Yandong could also possibly receive a different State Council assignment in March 2013; however, at age 67 she will face mandatory retirement from the Politburo by 2017.

The dominance of the Shanghai/Princeling Faction in the new PBSC leadership has surprised many analysts, most of whom had expected a more balanced factional alignment in the CCP’s highest decision-making body. The reasons for the apparent political defeat of Hu Jintao and the CCYL Faction are unknown: Some have speculated that the scandal surrounding Ling Jihua, and years of backroom infighting with Jiang and his supporters, left Hu Jintao emotionally exhausted and unable to fend off the maneuvers of his rivals in the lead-up to the 18th Party Congress.⁷¹

However, another possibility is that “Hu may be playing a deeper game,” expending his political capital to promote protégés who may become influential in 2017 and beyond.⁷² Although the Shanghai/Princeling Faction dominates the Standing Committee, the membership of the full Politburo is more balanced: Out of Politburo members who do not sit on the PBSC, ten of 18 are identifiable as

Commission. [John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission Staff Research Report, March 23, 2012), p. 50.]

⁶⁸ Willy Lam, “Wang Yang: The Future Torchbearer of Reform?” *China Brief*, Vol. 12 Issue 11 (May 25, 2012). [http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews\[tt_news\]=39421&cHash=7c0fbd96ba1b2a4a70b1c367487b3c0f](http://www.jamestown.org/programs/chinabrief/single/?tx_ttnews[tt_news]=39421&cHash=7c0fbd96ba1b2a4a70b1c367487b3c0f).

⁶⁹ “CPPCC chairman, currently held by Jia Qinglin—may go to Liu Yandong. Liu is a Communist Youth League (CYL) colleague of Hu Jintao’s from the early 1980s, and she has served in united front roles, as Central Committee United Front Work Department chief and now as vice premier, over the past decade, and so suits the CPPCC role well.” [Alice Miller, “The 18th Central Committee Politburo: A Quixotic, Foolhardy, Rashly Speculative, But Nonetheless Ruthlessly Reasoned Projection,” *China Leadership Monitor*, No. 33 (Summer 2010).] This author (John Dotson) made the same prediction, incorrectly believing that Liu’s experience was the natural fit for a “professionalizing” united front role. [John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission Staff Research Report, March 23, 2012), p. 49.]

⁷⁰ Cheng Li, “Opportunity Lost?: Inside China’s Leadership Transition,” *Foreign Policy* (online edition), Nov. 16, 2012. http://www.foreignpolicy.com/articles/2012/11/16/opportunity_lost.

⁷¹ Jonathan Ansfield, “How Crash Cover-Up Altered China’s Succession,” *New York Times* (online), Dec. 4, 2012, <http://www.nytimes.com/2012/12/05/world/asia/how-crash-cover-up-altered-chinas-succession.html?pagewanted=1&r=0>; and *South China Morning Post* (online), “Exclusive: Hu Jintao Set to Step Down as Military Chief,” Nov. 12, 2012, <http://www.scmp.com/news/china/article/1080270/exclusive-hu-jintao-set-step-down-military-chief>.

⁷² William Wan, “China’s Hu Seeks to Exert Influence Long After He Leaves Power,” *Washington Post* (online), Nov. 5, 2012. http://www.washingtonpost.com/world/chinas-hu-seeks-to-exert-influence-long-after-he-leaves-power/2012/11/05/4df5c190-1c24-11e2-ba31-3083ca97c314_story.html.

supporters of Hu's CCYL Faction.⁷³ As five of the seven members of the new PBSC will face retirement in 2017 due to age limits (i.e., all members except Xi Jinping and Li Keqiang), there will be ample opportunity for members of the full Politburo to move up. Furthermore, Hu Chunhua, a close protégé of Hu Jintao, achieved a seat on the Politburo – thereby putting him on a likely track to become a senior-ranking Party leader in the future (see “Signs Pointing to the ‘Sixth Generation’ Leadership,” p. 25).

Figure 3: Members of the 18th CCP Politburo

Name	Age	Party / State Position	Factional Alignment and/or Patron	Prince-ling?	Eligible 2017?+
*** Members, Politburo Standing Committee *** (Listed in descending order of official rank)					
Xi Jinping	59	- CCP General Secretary - Chairman, Central Military Commission - PRC President*	S/P Faction	✓	✓
Li Keqiang	57	Premier, PRC State Council*	CCYL Faction	X	✓
Zhang Dejiang	66	Chair, National People's Congress*	S/P Faction	✓	X
Yu Zhengsheng	67	Chair, Chinese People's Political Consultative Conference	S/P Faction (ties to Hu)	✓	X
Liu Yunshan	65	- Exec. Secretary, CCP Central Secretariat - PRC Vice-President*	Ties to both Hu & Jiang	X	X
Wang Qishan	64	Chair, CCP Central Disciplinary Inspection Commission	S/P Faction	✓	X
Zhang Gaoli	66	Vice-Premier, PRC State Council*	S/P Faction	X	X
*** Members of the Full Politburo *** (Listed in alphabetical order by Romanized surname)					
Fan Changlong	65	Vice-Chairman, CMC	Hu Jintao	X	X
Guo Jinlong	65	Beijing CCP Secretary	CCYL Faction	X	X
Han Zheng	58	Shanghai CCP Secretary	S/P Faction	X	✓
Hu Chunhua	49	Guangdong CCP Secretary	CCYL Faction	X	✓
Li Jianguo	66	Vice-Chairman, NPC	CCYL Faction	✓	X
Li Yuanchao	62	Uncertain – possible Vice Premier*	CCYL Faction	✓	✓
Li Zhanshu	62	Director, CCP General Office	S/P Faction (exp. CCYL)	X	✓
Liu Yandong (F)	67	State Councilor, NPC	CCYL Faction	✓	X
Liu Qibao	59	- Director, CCP Propaganda Dept. - Chair, Propaganda & Thought Work LSG (poss.)	CCYL Faction	X	✓
Ma Kai	66	State Councilor, NPC	S/P Faction	X	X
Meng Jianzhu	65	- Director, Ministry of Public Security - Chair, CCP Politics & Law LSG	S/P Faction	X	X
Sun Chunlan (F)	62	Tianjin CCP Secretary	CCYL Faction	X	✓
Sun Zhengcai	49	Chongqing CCP Secretary	S/P Faction	X	✓
Wang Huning	57	Director, CCP Policy Research Office	S/P Faction	X	✓
Wang Yang	57	Uncertain – possible Vice Premier*	CCYL Faction	X	✓
Xu Qiliang	62	Vice-Chairman, CMC	Jiang Zemin	X	✓
Zhang Chunxian	59	Xinjiang CCP Secretary	S/P Faction	X	✓
Zhao Leji	55	Director, CCP Organization Dept.	CCYL Faction	X	✓
+ Indicates whether the member will be eligible for reappointment (based on mandatory retirement age of 68+) at the 19 th Party Congress in 2017. * Appointment expected at the next convening of the National People's Congress (likely to convene March 2013).					

⁷³ Cheng Li, “Opportunity Lost?: Inside China's Leadership Transition,” *Foreign Policy* (online edition), Nov. 16, 2012. http://www.foreignpolicy.com/articles/2012/11/16/opportunity_lost.

4. Hu Jintao's Retirement from the Central Military Commission

In the lead up to this year's Party Congress there was widespread speculation as to whether Hu Jintao would fully retire from all of his offices – or, if like his predecessors, he would retain chairmanship of the CCP Central Military Commission (CMC) after formally relinquishing his other Party and state posts.⁷⁴ Amid debate, the majority view among Sinologists was that Hu Jintao would likely retain his seat on the CMC.⁷⁵ However, to the surprise of many, Hu Jintao relinquished his chairmanship of the CCP Central Military Commission to Xi Jinping, along with the post of CCP General Secretary. The presidency of the PRC – the remaining job in the troika of positions for the CCP's senior-ranking leader – will be handed over during the next meeting of the National People's Congress in March 2013. (*Further discussion of leadership turnover in the Central Military Commission will be contained in a forthcoming USCC staff report, "Rising Officers in the Chinese People's Liberation Army," projected for release in spring 2013.*)

5. The Enduring Influence of Party Elders, and the Continuing Rise of the "Princelings"

Recent years have seen a growing number of "princelings" – the children of senior Communist Party officials – occupying powerful positions in the CCP leadership. In the 17th Politburo (2007 – 2012), seven of 25 members were identifiable as princelings.⁷⁶ Although personnel have shifted, this same number (7 of 25) has been maintained in the new 18th Politburo. However, the presence of princelings in the PBSC has increased dramatically: from two of nine (Xi Jinping and Zhou Yongkang) in the 17th PBSC, to four of seven (Xi Jinping, Zhang Dejiang, Yu Zhengsheng, and Wang Qishan) in the 18th PBSC.⁷⁷

This phenomenon is explained in part by the advantages that princelings enjoy in terms of personal connections with CCP power brokers. However, it may also be due to a belief among influential Party Elders that the children of senior CCP officials are the most reliable protectors of the CCP's ruling status, and the people least likely to expose the corrupt activities of powerful political families.⁷⁸ In terms of the

⁷⁴ For examples of such discussion, see James Mulvenon, "Xi Jinping and the Central Military Commission: Bridesmaid or Bride?" *China Leadership Monitor* 34 (Winter 2011); Peter Mattis, "Hu Jintao's Doubtful Future on the Central Military Commission," *China Brief*, 12:16 (August 17, 2012); and Teddy Ng, "Hu Jintao Likely to Remain Military Chief, Says Tung Chee-hwa," *South China Morning Post*, Sep. 20, 2012.

⁷⁵ "Hu Jintao would want to serve another five years [as CMC chief], particularly given the fact that he has to watch over his political proteges... and protect his political legacy." [Willy Lam, as quoted in Robert Saiget, "China Military Shuffle to Preserve Hu Role: Analysts," *AFP*, Nov. 5, 2012. See also Bo Zhiyue, "China's Coming Central Military Commission: Leadership Change and Political Implications," *East Asian Policy*, 04/ 96 (2012).] This author (John Dotson) also incorrectly believed that Hu would retain his chairmanship of the CMC.

⁷⁶ Cheng Li, "China: Riding Two Horses at Once," Brookings Institution, October 2007.

<http://www.brookings.edu/articles/2007/1023china.aspx>.

⁷⁷ Author's calculation, drawing from: Cheng Li, "China's Most Powerful 'Princelings': How Many Will Enter the New Politburo?" *China Brief* Vol. 7 Issue 19 (October 17, 2007); and Cheng Li, "Opportunity Lost?: Inside China's Leadership Transition," *Foreign Policy* (online edition), Nov. 16, 2012, http://www.foreignpolicy.com/articles/2012/11/16/opportunity_lost; and Tsai Chongmin (professor at National Chengchi University, Taiwan), "China After the 18th: New Leadership, Old Challenges," paper presented at the conference *U.S. - R.O.C - P.R.C. Relations and the Asia-Pacific Region After the 18th Party Congress*, Carnegie Endowment for International Peace (Washington, DC), December 3, 2012.

⁷⁸ "In the 1990s the princelings were viewed with great suspicion by many in the party who resented their use of blood ties to secure top positions, but in more recent years party leaders appear to have rallied around them. They probably calculate that people like Mr. Bo [Xilai] and Mr. Xi [Jinping] are the safest bet for upholding the party's traditions, and crucially for holding on to its monopoly of power." "The Princelings Are Coming," *The Economist*,

most elite assignments to the Politburo and PBSC, Jiang Zemin and Zeng Qinghong – themselves both princelings – have clearly exerted influence to promote princeling candidates who will protect their factional and family interests.



Image: At the opening of the 18th Party Congress, Zhu Rongji (left), Song Ping (center), and Li Lanqing (right) sit at a table reserved for former members of the Politburo Standing Committee.⁷⁹

6. Portfolio Assignments Outside of Professional Experience

Two of the new PBSC assignments – for Liu Yunshan and Wang Qishan – are particularly striking, in that they give the members responsibility for policy portfolios far removed from their professional experience. Based on his long experience in the state propaganda system,⁸⁰ **Liu Yunshan** had been viewed by many as a natural choice to assume the role of propaganda czar in the PBSC.⁸¹ However, Liu appears to have been tapped instead for the PBSC portfolio for party affairs. This position bears responsibility for overseeing the CCP internal bureaucracy, and carries with it the attendant positions of PRC Vice-President; President of the Central Party School; and Executive Secretary of the CCP Central Secretariat. The latter role is particularly powerful, as the Secretariat manages the flow of documents into and out of the Politburo, and transmits Politburo-level policy directives to subordinate bureaucracies for implementation.⁸²

June 23, 2011. See also Paul Eckert, “Sizing Up China’s Next Leader,” *Reuters Special Report*, February 2011.

<http://graphics.thomsonreuters.com/11/01/XiJinping.pdf>.

⁷⁹ Image source: Keith Zhai, “Jiang Zemin Leads Show of Strength by Party Old Guard at 18th Congress,” *South China Morning Post* (online), Nov. 9, 2012. <http://www.scmp.com/news/china/article/1078153/jiang-zemin-leads-show-strength-party-old-guard-18th-congress>.

⁸⁰ Liu Yunshan worked for the Xinhua News Agency in Inner Mongolia (1975-1982), and subsequently worked in positions with the Inner Mongolia propaganda and provincial Party bureaucracy in the 1980s. He later served in the CCP Central Propaganda Department as Deputy Director (1993-2002) and Director (2002-2012). See “Career Data – Liu Yunshan 刘云山,” *ChinaVital.com*. http://www.chinavital.com/biography/Liu_Yunshan/career.

⁸¹ Alice Miller, “The 18th Central Committee Politburo: A Quixotic, Foolhardy, Rashly Speculative, But Nonetheless Ruthlessly Reasoned Projection,” *China Leadership Monitor*, No. 33 (Summer 2010); and Cheng Li, “China’s Top Future Leaders to Watch: Biographical Sketches of Possible Members of the Post-2012 Politburo (Part 2),” *China Leadership Monitor*, no. 38 (Autumn 2011).

⁸² Kenneth Lieberthal, *Governing China: From Revolution through Reform* (New York, NY: WW Norton & Co., 2004), pp. 175.

As the PRC Vice-Premier holding the portfolio for banking and international trade policy (2008-2012), **Wang Qishan** has been one of the Chinese leaders most active and engaged on the international scene. This has included his leading role in the “Strategic and Economic Dialogues” conducted during the administrations of both President George W. Bush and President Obama (*see image below*).⁸³ Based on his extensive experience in macroeconomic policy and trade negotiations, many expected Wang to receive the slot of Executive Vice-Premier in the new PBSC; or failing that, another senior position that would keep him engaged in discussions of macroeconomic policy.



*Image: Then-PRC Vice Premier Wang Qishan (right) meets with U.S. Secretary of State Hillary Clinton and U.S. Treasury Secretary Timothy Geithner during the 8th meeting of the China-U.S. Strategic & Economic Dialogue (Beijing, May 25, 2010).*⁸⁴

However, just prior to the end of the 18th Party Congress, state media made the surprise announcement that Wang had been appointed director of the Central Disciplinary Inspection Commission (CDIC), the CCP’s watchdog agency for corruption. The move puzzled many observers: As stated by Bo Zhiyue of the East Asia Institute at the National University of Singapore, “This is going to be a huge waste of his strength in dealing with economic, financial matters and foreign affairs... He’s a banker who’s going to be in charge of disciplinary affairs. It’s a mismatch between his true talent and his assignment.”⁸⁵

The reasons for Wang Qishan’s incongruous assignment to CDIC are unknown. One suggested possibility is that Wang’s “very good reputation as a firefighter” marked him as the right man to deal with the CCP’s cancerous corruption problem.⁸⁶ A more cynical possibility – and one supported by the dominance of figures close to Jiang Zemin in the new Standing Committee – is that prominent members of the Shanghai/Princeling Faction may have wanted to ensure that CDIC was in the hands of a reliable ally,

⁸³ “U.S. - China Strategic and Economic Dialogue,” U.S. Department of the Treasury (official website), <http://www.treasury.gov/initiatives/Pages/china.aspx>.

⁸⁴ Image source: Feng Li/Getty Images AsiaPac.

<http://www.zimbio.com/photos/Timothy+Geithner/Wang+Qishan/China+Strategic+Economic+Dialogues+Helds+Beijing/D4rAqJtwhS>.

⁸⁵ Bo Zhiyue (senior research fellow at the East Asia Institute of the National University of Singapore), as cited in Michael Forsythe and Kevin Hamlin, “China Risks Talent Mismatch as Wang Gets Discipline Job,” *Bloomberg News*, Nov. 14, 2012. <http://www.bloomberg.com/news/2012-11-14/xi-li-named-to-communist-party-panel-clearing-way-to-top-posts.html>.

⁸⁶ Bo Zhiyue (senior research fellow at the East Asia Institute of the National University of Singapore), as cited in Michael Forsythe and Kevin Hamlin, “China Risks Talent Mismatch as Wang Gets Discipline Job,” *Bloomberg News*, Nov. 14, 2012. <http://www.bloomberg.com/news/2012-11-14/xi-li-named-to-communist-party-panel-clearing-way-to-top-posts.html>.

one who could be counted on not to direct the agency's attention at either themselves or their relatives.⁸⁷

Whatever the reasons for these appointments, the policy portfolios assigned to Liu Yunshan and Wang Qishan argue against the idea of growing "professionalization" of roles at the apex of the CCP hierarchy. Instead, they suggest that CCP elite politics remain highly personalized, and that patronage ties and factional loyalties trump professional experience when matching individuals with assignments.

7. Signs Pointing to the "Sixth Generation" Leadership

Two of the new appointees to the full Politburo provide possible hints to the face of the leadership succession following the 20th Party Congress in 2022. The two youngest members of the 18th CCP Politburo are Hu Chunhua and Sun Zhengcai (both aged 49). **Hu Chunhua** (no blood relation to Hu Jintao) has served as Party Secretary of the Chinese Communist Youth League (2007-2008), as Governor of Hebei Province (2008-2009), and from late 2009 – 2012 as the CCP Secretary of Inner Mongolia.⁸⁸ He is a close protégé of Hu Jintao, and shares with the elder Hu experience working in Tibet. On Dec. 18, 2012 the announcement was made that Hu was transferring to become CCP Secretary of Guangdong Province – a major assignment that could provide a stepping stone to higher promotions.⁸⁹

Hu Chunhua's youthful counterpart on the new Politburo, **Sun Zhengcai**, has served as Minister of Agriculture (2006-2009), CCP Secretary of Jilin Province (2009-2012), and since November 2012 as the CCP Secretary of Chongqing (succeeding Zhang Dejiang, who in turn replaced the disgraced Bo Xilai). Sun Zhengcai is believed to be a loyalist of the Jiang Zemin – Zeng Qinghong network,⁹⁰ who also has close ties to outgoing PRC Premier Wen Jiabao.⁹¹

The relative youth of these two men means that, at the 20th Party Congress in 2022, they could have two-term seniority in the Politburo, while still holding eligibility for two additional five-year terms before facing mandatory retirement. Many analysts believe that these two men have been deep selected for the country's two top leadership slots: "The pair [Hu Chunhua and Sun Zhengcai are] being groomed to be future general secretary of the CCP and premier, succeeding Xi Jinping and Li Keqiang in 2022-2023, respectively."⁹² A key point to watch will be whether these two men are appointed to the PBSC in 2017; if so, it will be a strong indicator that they are indeed on track to lead the "Sixth Generation" in 2022.

⁸⁷ Tsai Chongmin (professor at National Chengchi University, Taiwan), comments made at the conference *U.S. - R.O.C - P.R.C. Relations and the Asia-Pacific Region After the 18th Party Congress*, Carnegie Endowment for International Peace (Washington, DC), December 3, 2012.

⁸⁸ Willy Lam, See "Career Data – Hu Chunhua 胡春华," *ChinaVitae.com*, http://www.chinavitae.com/biography/Hu_Chunhua/career; and Willy Lam, *Changing of the Guard: Beijing Grooms Sixth-Generation Cadres for 2020s* (Jamestown Foundation, Sep. 2010), p. 18.

⁸⁹ James Pomfret and Sui-Lee Wee, "China Appoints New Top Official for Export Powerhouse Guangdong," *Reuters*, December 18, 2012. This move had been rumored prior to the official announcement: see William Wan, "'Little Hu' Eyed for the Next Wave of Chinese Leaders," *Washington Post*, Nov. 17, 2012.

⁹⁰ Cheng Li, "China's Midterm Jockeying: Gearing Up for 2012 (Part 1: Provincial Chiefs)," *China Leadership Monitor*, no. 31 (Winter 2010).

⁹¹ Cheng Li, "Sun Zhengcai 孙政才" (biographic profile), Brookings Institution. http://www.brookings.edu/about/centers/china/top-future-leaders/sun_zhengcai.

⁹² Bo Zhiyue, "China Starts Grooming its Sixth Generation Leaders," *East Asian Policy*, Vol. 2 No. 1 (Jan./Mar. 2010).



Image left: Hu Chunhua (back row, center) at the closing ceremony of the National People's Congress, March 14, 2012.⁹³

Image right: Sun Zhengcai (right) stands beside Wang Qishan (left) at the groundbreaking ceremony for a new factory (undated).⁹⁴

8. Dim Prospects for Reform

Observers hopeful of seeing a more reformist group of leaders emerge from the 18th Party Congress have been bitterly disappointed. Instead, as a group the new “Fifth Generation” leadership of the CCP’s 18th Politburo Standing Committee appears to be very conservative, in terms of both political and major economic reform.⁹⁵ The new *primus inter pares* of the group, **Xi Jinping**, is not a maverick: Much like his predecessor Hu Jintao, he has risen to power as a loyal Party functionary who cultivated close ties with senior leaders. **Yu Zhengsheng**, the oldest member of the new PBSC and a longtime Party official with close ties to both Jiang Zemin and the family of former paramount leader Deng Xiaoping, is also unlikely to push against conservative interests.⁹⁶ The incoming head of the National People’s Congress, **Zhang Dejiang**, is a political conservative with close ties to Jiang Zemin; he also has a long background in state-controlled heavy industry, and received his economics education in Pyongyang.⁹⁷ The likely new manager of party affairs, **Liu Yunshan**, has the reputation of being a loyal Party apparatchik, and has

⁹³ Image source: Reuters, as contained in Ben Blanchard, “Insight: ‘Little Hu’ May Play Big Role in China’s Future,” *Reuters*, Oct. 8, 2012. <http://www.reuters.com/article/2012/10/08/us-china-politics-huchunhua-idUSBRE89714D20121008>.

⁹⁴ Image source: *Getty Images*, as contained in Lily Kuo, “Is This Man Being Groomed for China’s Next Leadership Transition in 2022?” *QZ.com*, Nov. 20, 2012. <http://qz.com/29593/is-this-man-being-groomed-for-chinas-next-leadership-transition-in-2022/>.

⁹⁵ For representative commentary on this theme, see: Elizabeth Economy, “China’s New Leaders: No Reform Dream Team,” *Asia Unbound* (affiliated blog of the Council on Foreign Relations), Nov. 15, 2012, <http://blogs.cfr.org/asia/2012/11/15/chinas-new-leaders-no-reform-dream-team/>; Willy Lam, “18th Party Congress Showcases Stunning Setback to Reform,” *China Brief*, Vol. 12 No. 22 (Nov. 16, 2012); and Cheng Li, “Opportunity Lost?: Inside China’s Leadership Transition,” *Foreign Policy* (online edition), Nov. 16, 2012. http://www.foreignpolicy.com/articles/2012/11/16/opportunity_lost.

⁹⁶ For a fuller profile of Yu Zhengsheng, see John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission staff research report, March 23, 2012), pp. 43-44.

⁹⁷ For a fuller profile of Zhang Dejiang, see John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission staff research report, March 23, 2012), pp. 42-43.

spent the past decade cracking down on media freedoms as the director of the CCP Central Propaganda Department.⁹⁸

The backgrounds of **Wang Qishan** and **Zhang Gaoli** suggest that they might be open to further economic reform, but neither has displayed any indications of sympathy for political reform.⁹⁹ The only member of the new PBSC who has given any hints of support for limited political reform is **Li Keqiang**; however, even if Li were to be inclined to press the issue of political or major economic reform in the years ahead, he would likely find himself isolated.¹⁰⁰

The members of the new top leadership have tended to be circumspect about expressing their opinions in public, and much about their thinking is unknown; it is always possible that some might harbor closeted reformist views. However, the CCP's selection process for senior cadres seeks to screen out any candidates who might emerge as "another Gorbachev," threatening the Party and its entrenched interests with destabilizing ideas of too-rapid reform.¹⁰¹ As stated by Dr. David Shambaugh of George Washington University,

*Whatever their actual thoughts might be on economic and political reform, any would-be reformer in the top echelon of the Party leadership would likely continue to be checked by an entrenched bloc of party conservatives and retired elders... Thus, when anticipating China's future after the 18th Party Congress and the potential for reform under Xi Jinping, expect more of the same: authoritarian stagnation and gridlock at home, with increased abrasiveness abroad.*¹⁰²

All in all, for the foreseeable future the prospects for the state to loosen its hand on either China's economy or its political system both appear dim.

⁹⁸ Verna Yu, "Elevation of Liu Yunshan Heightens Censorship Fears," *South China Morning Post*, Nov. 17, 2012.

⁹⁹ Cheng Li, "China's Top Future Leaders to Watch," profiles of Wang Qishan and Zhang Gaoli, *Brookings Institution*.
http://www.brookings.edu/about/centers/china/top-future-leaders/zhang_gaoli and
http://www.brookings.edu/about/centers/china/top-future-leaders/wang_qishan.

¹⁰⁰ Mengyu Dong, "Li Keqiang: Liberal Background, Limited Leeway?" *ChinaDigitalTimes.net*, Nov. 20, 2012.
<http://chinadigitaltimes.net/2012/11/li-keqiang-liberal-backgroundlimited-leeway/>.

¹⁰¹ For fuller discussion of this issue, see John Dotson, *The Chinese Communist Party and Its Emerging Next-Generation Leaders* (Washington, DC: U.S.-China Economic and Security Review Commission staff research report, March 23, 2012), pp. 21-22.

¹⁰² David Shambaugh, "Don't Expect Reform from China's New Leaders," *Washington Post*, Nov. 15, 2012.

Conclusions:
The Outcomes of China's Leadership Transition,
and the Implications for the United States

Despite the carefully choreographed events of the 18th Party Congress, and the efforts of the Communist Party leadership to present a united face both to a domestic audience and the wider world, the CCP faces internal divides and contentious debates over the future course of Chinese policy. The factional conflict between the competing patronage networks of Jiang Zemin and Hu Jintao – a conflict fueled by both personal rivalries and ambition, as well as differences over policy – is usually kept carefully hidden from public view. However, a series of events in 2012 allowed hints of these internal Party power struggles to slip out into the light: Beginning with the purge of Bo Xilai early in the year, and proceeding through the soft purge of Ling Jihua on the eve of the Party Congress itself, ample evidence was available to suggest the intensive jockeying for power occurring behind the calm façade projected by the Party's propaganda system.

Despite the intensity of this political infighting amid the Party's leadership transition – only the second such transition since the death of Deng Xiaoping in 1997, and the first not set in place by Deng's own decisions – the institutions of the Party held together. In terms of internal Party procedures, the 18th Party Congress displayed great continuity: Rules for mandatory retirement based on age were followed, and rising cadres groomed for leadership assumed their new roles. However, the outcomes of the CCP's latest leadership succession also raise troubling questions about the continued highly personalized nature of Chinese politics: As seen, for example, in the critical importance of patronage ties, which weaken the Party's collective effort to institutionalize leadership succession; and in the continuing influence of Party Elders, which threatens to negate the value of periodic leadership turnover to younger officials.

The CCP's closed and opaque practices for selecting its next generation of political leaders are increasingly out of step with the country it leads. It remains to be seen how much longer the CCP will be able to defer political change as China's population grows rapidly wealthier and more educated. It also remains to be seen whether Party cadres selected through the Party's internal processes – officials selected largely on the basis of perceived loyalty to Party power brokers and entrenched interests – will be able to navigate the ever-increasing challenges of governing a country undergoing rapid economic and social transformation. Amid the breakneck pace of change throughout China itself, the CCP risks becoming increasingly ossified. Furthermore, in foreign policy there is the risk that the lack of decisive leadership at the top will facilitate continued assertive behavior by the Chinese in the South China Sea and other areas, as nationalist impulses continue unchecked.

U.S. policymakers should expect significant continuity in PRC economic and foreign policy in the near and intermediate term. Despite the apparently decisive dominance of the Shanghai/Princeling Faction in the new Politburo-level leadership, the Party leadership will continue to operate by consensus, and to face substantive divisions over policy. The new leaders will require time to consolidate their positions, and they will still have influential Elders looking over their shoulders. They will also have powerful interest groups and concerns – the People's Liberation Army, state-owned enterprises, well-connected princeling families, and the ever-present fear of social unrest – constraining their actions. For the foreseeable future – perhaps through to the 19th Party Congress in 2017 – the Chinese political system will likely continue on its current trajectory.