

Taking Stock of Chinese Leader Xi Jinping's One Year Rule

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It is just about a year ago that Xi Jinping assumed supreme power as China's top leader. What have been his achievements and his failures and how should his rule be rated? It goes without saying that any assessment of his one year rule would not only be based on his performance, but also on the implications of the policies that he has personally initiated; both internally as well as externally.

It is a matter of common surmise that Xi Jinping's unbounded ambition is to emerge as a 'strong leader' in the mould of a Mao Zedung or a Deng Xiaoping. At the very outset, Xi realized that governance of present day China was no easy task; for he was bequeathed by his predecessor, Hu Jintao a reportedly slowing economic growth, rampant corruption and an aspirational and a growing middle class eager for more personal freedoms. Xi realized that before he could successfully tackle any of these issues he would have to consolidate his power and emerge without any significant personal challenge. He felt that in the process of this consolidation of personal power it was imperative that the continued dominance of the Communist Party of China be assured. For achieving his objectives, Xi has chosen to emulate some of the policies of the late Mao Zedung; albeit with modern underpinnings.

Xi first step to eliminate any political challenge was to consolidate his position within the Standing Committee of the Party Politbureau[PBSC]. This was done by ensuring that apart from himself; only the Premier Li Keqiang was assured of retaining his position for a full ten years. The other members of the PBSC were selected on the basis of seniority from the full Politbureau and would thus retire after a one term of five years only, due to the age factor. Thus any incoming new member of the PBSC would have to be a Xi acolyte to have any chance of selection. The decision to set up the National Security Council at the 3rd Plenum is also a calculated step in the direction of consolidating all power in his hands. On the other hand, Xi has shown determination in not only seeing that his rival Bo Xilai received a harsh jail sentence, but he has been rather vengeful against all those who supported Bo Xilai. Thus for perhaps the first time ever a former PBSC member, Zhou Yongkang has been placed under house arrest pending the finalization of charges and even Zhou's supporters such as Jiang Jiemin, a former head of the huge China National Petroleum [CNP] have been arrested on corruption charges. While loudly proclaiming that he would 'fight corruption at every level, punish every corrupt official and eradicate the soil that breeds corruption,' Xi has used Maoist methods of intimidation, confession and open TV trials to mainly pursue vendetta against his political opponents. Significantly, the former Premier Wen Jiabao and his family who siphoned off an estimated US \$2.7 billion, as calculated by the 'Times' from Chinese records, remains untouched.

The next step taken by Xi was to target the inconvenient media. Information security has been elevated to become one of China's core security concerns. According to Amnesty International, Xi's China probably has the largest number of journalists and cyber journalists in the world that are imprisoned. Although the number of internet users in China in 2013 is expected to reach 718 million or about 52% of the population, yet the internet content is vigorously censored by what is euphemistically called the 'great China firewall.' A new office established under the State Council ensures that little escapes the censure's scissors. The foreign press too has been targeted. Bloomberg's website as well as the Chinese language web-sites of the New York Times and the Wall Street Journal are presently blocked and their journalists have been denied visas to operate from Beijing as they dared to publish details of the wealth amassed by Chinese leaders, including Xi Jinping himself. Even US Vice-President Biden's pleas on their behalf went unheeded.

At the heart of the matter is the perception that China's robust economic growth is slowing down. China's spectacular growth was export driven utilizing low cost labor to drive manufacturing. The problem now is that China's main markets the US, the EU and Japan are either stagnant or growing very slowly with concomitant results for its economy. The rich Chinese seem to be voting with their feet with an estimated 14% whose net worth is more than US \$10 million have already left and despite restrictions placed by the Bank of China an estimated US \$ 3.77 trillion has already moved out in the last decade.

A slowing economic growth leads to the foremost problem that Xi faces today; that is internal security. There are thousands of riots every year primarily in the rural areas prompted by land seizures by corrupt officials. There are about 200 million internal migrant workers that are treated as second class citizens as they are denied health care facilities, on par with local residents, and their children often end up in sub-standard schools. This dichotomy of approach has led to glaring 'inequality.' The gini co-efficient for China, the internationally accepted measure of inequality within a country, was between 0.46 and 0.49 in 2007; the highest for any Asian country¹ and could be approaching 0.61. ² According to the UN, if the gini co-efficient touches 0.44, danger signals on internal stability should start flashing. At the same time large income disparities exist between urban and rural residents, between regions and in minority areas. This income disparity is a source of widespread discontent and social protest. ³Therefore, it comes as no surprise that China's budget for internal security [US \$ 124 billion] is more than its defence budget [US \$ 119 billion] ⁴ for challenges for Xi are more internal than external.

China's population dividend is also fast disappearing, although presently people aged 60 and above constitute only 15.5 per cent of the total population, yet by 2050 the elderly will be nearly 40 per cent of the total population.⁵ Thus it is becoming an aging society. While its overall population might remain roughly constant, due to its one child policy, its working population is expected to drop by 1.5 percent annually; thus by 2025 China's working population will only be 56-58 percent of its overall population making it one of the oldest populations in the world.⁶ It was for this reason that Xi allowed a relaxation of the one-child family policy.

¹ Asian Development Bank Report, 2007.

² The Economist, 15 December 2012.

³ John Knight. World Bank Policy Research Working Paper no. WPS 6482 of 13 June 2013.

⁴ Reuters, 5 May 2013.

⁵ Robyn Mak. Reuters 11 August 2013.

⁶ Michael Pettis. Carnegie Europe, 5 July 2013.

Faced with these mounting internal complications Xi taking a cue from Mao decided to promote the spirit of nationalism in China. Like Mao it became necessary for Xi to find a foreign target for nothing subsumes or quiets internal dissidence as does the promotion of xenophobic tendencies. Many political analysts now believe that it was Mao who pushed the Sino-Soviet split and thus 'Soviet Social Imperialism' became a handy catchword on which Mao pinned the blame for all his failures, including the disastrous 'great leap forward.' Mao's political opponents such as former President Liu Shaoqi and former Defence Minister Peng Dehuai were targeted as 'Soviet stooges' and eliminated. Mao even ventured for a limited conflict with India in 1962 and with the Soviets over the disputed Ussuri River border in 1969. Similarly Xi's predecessor Deng Xiaoping, when faced with stiff domestic opposition over his 'new' economic policies, promoted unabashed nationalism and even went in for a limited conflict with Vietnam in 1979.

In targeting Japan Xi Jinping has chosen his nemesis very carefully for it has many advantages. Xi knows that in vilifying Japan he has a receptive audience for the Chinese people have never forgotten the brutal atrocities that Japan unleashed in China during Second World War. In this he has the unwritten backing of the South Koreans where anti-Japanese feelings are never too far below the surface. He has attempted to beguile the US by offering a 'new great power' relationship consisting of 3 principles of which the most important is 'no conflict, no confrontation.'⁷ In establishing the ADIZ over the East China Sea, Xi knew that the Obama Administration had no desire to enter into a conflict-situation as evidenced by their extreme reticence over the Iran nuclear issue and the Syrian imbroglio and therefore the US would prevaricate over its less than enthusiastic support for Japan. Xi was proved right for the US while supporting Japan also accepted the Chinese ADIZ. Thus Xi was able to demonstrate Japan's vulnerability and also signal to other East and South East Asian states that if the US was not fully behind Japan, its most important ally in Asia; then would the US security umbrella for others be ever activated in the face of China's continued belligerence?

Views expressed are of the author and do not necessarily reflect the views of the IDSA or of the Government of India.

⁷ Yang Jiechi.[State Councilor] 'Innovations in China's Diplomatic Theory and Practice Under New Conditions.' 16 August 2013.