Report

The 2012 Conference of China’s Communist Party: The Most Important Outcomes

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This paper touches on the most important aspects of the eighth general conference of the Communist Party of China (8-15 November 2012) and its outcomes and decisions – such as electing a new leadership for the party and the country. The paper also highlights the new structure of the standing committee of the politburo and tries to predict future trends and challenges that will face the new leadership.

The Chinese Communist Party was founded in July 1921; it is the ruling party and the only one in China since its foundation. It passed through several phases in which it exposed itself and the country to huge failures such as the ‘great leap forward’ in the mid-1950s and the ‘great cultural revolution’ between the mid-1960s and 1970s. At the same time, the party also made great strides – especially at the economic level – since adopting new policies of reform and openness in the beginning of the 1980s.

The party has about 80 million members and the conference is held every five years with about 2,300 members elected by the members. The conference, in turn, elects a central committee composed of 200 members who then elect the politburo of twenty-five members headed by a standing committee. The standing committee is the leading authority in the country and is composed of seven members headed by the general secretary of the party who can hold this position for ten years and also holds the post of president of the republic and the presidency of the Central Military Commission.

The proportion of conference delegates who are women and those representing national and ethnic minorities is twenty and twelve per cent respectively; ninety-four percent of delegates have received higher education and seventy per cent are under the age of 55.

**New leadership and centres of power**

The eighteenth General Conference of the Communist Party of China (CPC), held every five years, took place between 8 and 15 November 2012 and concluded with the transfer of authority from the fourth generation of leadership to a new generation. This saw an unprecedented step in the history of the party as two former general secretaries, Jiang Zemin and Hu Jintao, came together with current general secretary, Xi Jinping, under one roof.

In previous conferences the party managed to establish mechanisms for the seamless transition of authority which took place away from the media limelight and were based on reciprocal concessions between the various players in the party.

In the past, conflicts arose between these centres of power due to ideological differences between old and new guards or between conservatives and reformists. In the recent conference, however, these conflicts moved away from an ideological basis to issues
based on various interests of a nature that the party has not dealt with before. The intensity of the conflict was reflected in the inability of the observers and analysts to predict the names of the members of the new leadership until the last day of the conference, while the names during previous conferences were known even by ordinary people. The conflict centred around three major factions:

1. The ‘Shanghai clique’ is the name given to an informal group of officials in the CPC led by former general secretary Jiang Zemin. It has proven to still wield a significant amount of power and influence.

2. The Communist Youth League led by former general secretary Hu Jintao, whose influence has been remarkably declining as was evident in the recent conference. Only one of its members was elected to the Standing Committee of the Politburo – the current deputy prime minister, Li Keqiang, who is expected to become prime minister of next March due to the convergence and coordination between this and the previous group. But the group maintained a reasonable number of representatives in the Politburo (nine out of twenty-five) as well as a good representation in the Central Committee made up of 200 members.

3. The ‘Princelings’ or the ‘Crown Prince Party’ – descendants of influential senior officials. Led by General Secretary Xi Jinping, this group seems to be a star on the rise, despite the loss of one of its most prominent figures, Bo Xilai, who was overthrown before the conference convened for his involvement in corruption.

The new general secretary, fifty-nine year old Xi Jinping, managed to win the support of various centres of power unlike any other general secretary in the party’s history, due to his being a common denominator in all of them. He is also close to the former general secretary, Jiang Zemin, and worked in the party’s school, the stronghold of the communist youth group of which he was once chairman. He is also descended from one of the ‘princeling’ families. His father was a comrade of the leader Mao Zedong. Xi received the title of ‘the people’s champion’ and had served as deputy prime minister. During the Cultural Revolution of the mid 1960s and 1970s he was mistreated by the Red Guard but was later compensated and reappointed secretary of the Communist Party when the country began its steps towards reform and economic development. He also enjoys the support of the army as he worked within military institutions for some time.

The conference elected the 200 members of the party’s Central Committee who then elected the twenty-five members of the Politburo and nine members of the Standing Committee, instead of the usual seven, under the pretext of needing to enhance the decision-making process. Similar to previous conferences throughout the CPC’s ninety-
year lifespan, the conference did not witness any dramatic increase in the role of women. While women succeeded in penetrating the general space of the Politburo, they were unable to enter the Standing Committee which remains a male-only club.

The current Standing Committee is the highest-ranking in terms of the academic achievements of its members, compared to previous members who were selected based on their history of struggle and experience within the party regardless of their schooling. This new generation of leaders is the first generation born after the founding of the republic and none of them lived or participated in the strife and struggle the party had been through.

Five out of the seven members of the former Standing Committee will not be able to retain their positions for a second term – as is usual – due to their old age. The average age of members of the Standing Committee was sixty-two years, with the oldest member being sixty-seven. This situation contradicted previous party decisions to pump young blood into high leadership bodies. The decision was indicative of the numerous adjustments that were made during this conference. This will make things easier for the new general secretary and will relieve him of many constraints during his second term when he will be able to strengthen his powers after the five aged members of the committee leave.

The new general secretary, Xi Jinping, seemed confident in his first media appearance after the conference; he was able to seize all the authority and power of his predecessor, Hu Jintao, including the presidency of the Central Military Commission, which enjoys a strong influence in decisionmaking. This is contrary to what had happened in the case of Hu Jintao. His predecessor, Jiang Zemin, had retained the chair of the committee for two years before relinquishing it to his successor. It is noteworthy that, during his first speech, Xi used correct Chinese language – free of any tone or local accent, which was different to his predecessors in the Chinese leadership. His use of language reflects the fact that he is the first general secretary to be born in the capital, Beijing. He also began his speech with an apology to reporters for the half hour delay, a gesture that is unusual for Chinese officials.

He repeated the word ‘people’ 19 times in his speech, twice more than his mention of the word ‘party’, another unusual occurrence for a Chinese official. Remarkably, the speech did not mention any of the previous leaders or President Hu Jintao, which can be interpreted as a disengagement from the previous phase and opening a new page to a new era.

The general secretary’s first order of business was to express his determination to combat the rampant corruption in the party and the organs of state, even considering
‘the war on corruption’ a battle of life or death for both the party and the state. He also called on party officials to refrain from delivering written speeches, to avoid ideological rhetoric and to speak in a way that the public will understand rather than using ideological jargon. There was also an emphasis on the importance of officials’ adherence to traffic laws and refraining from causing traffic jams during the movements of their convoys. Such seemingly simple statements have already earned the new general secretary popularity and strong public support at a time that has witnessed an increasing gap between the party and the public, with a lack of political will and corruption causing the public to lose confidence in the leadership. The party's reputation was damaged and the public was indignant after the Bo Xilai affair. Bo is a member of the Politburo and was a strong candidate for the Standing Committee. The fact that he was involved in bribery and corruption, that his wife Gu Kai was involved in the death of British businessman Neil Heywood, and that one of his assistants, police commander Wang Lijun, had sought asylum at the US consulate in the city of Chong Qin have all contributed to this damage to the party's reputation and resulted in the party’s decision to dismiss him, strip him of all his positions and ensure an open trial for him and his wife, who was given a suspended death sentence. His assistant was sentenced to seven years’ imprisonment.

**Local and Regional Challenges**

The conference came at a time when China was facing sensitive and complex conditions at all levels – internally, regionally and internationally. At the internal level, the economic strategy that the country had implemented in the past three decades resulted in deep social and cultural changes in Chinese society and generated many negative effects, such as the widening gap between rich and poor, the expansion of the role of middle class and the growing influence of business, which negatively impacted the working and peasant classes. Migration from the countryside to the city has increased at unprecedented rates, while economic reforms have led to millions of workers losing their jobs, resulting in growing unemployment under a harsh taxation system with no solid social insurance network. All of this led to an increase in social protests and strikes throughout the country.

This strategy – after decades of achievements and after fulfilling many of its objectives – led to a stagnation in economic prospects, intensified by the global financial crisis. It has therefore become necessary to explore new horizons to ensure continuity, to restructure China’s economy on new foundations and to provide real solutions to high prices, widespread unemployment and corruption, as well as the reform of the educational system, health, and banking. (Studies by an anti-corruption body revealed the involvement of more than 660 000 of state and party officials in corruption and bribery cases, resulting in 24 000 of them standing trial and undergoing disciplinary and punitive procedures). Nationalist and separatist movements in Tibet and in Xinjiang (East
Turkestan) and the relationship with Taiwan remain challenges needing to be tackled by China’s new leadership.

At the regional level, in addition to the geostrategic issues and competition with countries such as India, Russia and Japan, China’s relationship with most neighbouring countries has deteriorated to unprecedented levels on the back of border disputes – especially at sea – which reemerged more seriously, as well as rising tension that almost resulted in armed clashes in some cases, as with Vietnam and the Philippines.

Disagreement with Japan over the disputed islands in the East China Sea also cast a shadow over the region, a condition made even more difficult with the return to power of the Japanese right wing, which may lead to further increasing tension between the two sides in the coming period. This tension caused China to bolster its military, naval and air force capabilities, and to announce just prior to the conference that the first Chinese aircraft carrier would enter service. The Chinese leadership also chose the commander of the air force, Xu Qiliang, as deputy chairman of the Central Military Commission, a position usually occupied by the commander of land forces. This indicates a dramatic change in China’s strategic military vision and the transformation of the army’s mission to expand in order to protect interests beyond its borders and to directly involve the navy and air force in the leadership.

A further challenge was the US decision to withdraw its forces from Iraq, thus moving Washington’s centre of military and strategic focus from the Middle East to the Asia-Pacific region to reinforce this strategic vision. And, there was the radical transformations the Arab region is undergoing, in what is known as the Arab Spring, and the implications of this on China’s energy security.

**Attitudes, According to the Concluding Statement**

For the purpose of analysing the approaches of China’s new leadership, the conference’s concluding statement is the most important document available that helps us understand the priorities of the party and its leadership. The resolutions determined the guidelines and priorities for the next five years, resulting in an agenda drafted by a committee headed by the new general secretary, Xi Jinping and the party’s Central Committee which formed forty-six commissions to work on the submission of proposals and studies pertaining to agenda items before its adoption. There were a number of significant aspects of the agenda.

- The agenda recognised that profound changes in the party, Chinese society and the international environment have resulted in new and unprecedented challenges and risks to the development process, requiring more work towards the advancement of the
party for it to continue to achieve its objectives in what Xi called ‘building socialism with Chinese characteristics’.
• The agenda emphasised the importance of strengthening the party’s unity, developing internal democratic processes and bolstering national unity between the different ethnic groups that constitute the Chinese social fabric. It also stressed the need for the speedy completion and improvement of ‘the socialist market economy system’, for embarking on structural reforms in the Chinese economy and to provide suitable conditions for a balanced economy and sustainable development. It considered economic development as the top priority in contemporary China, seeing the economy as the key to solving most of the challenges China faces. It also called for laying the foundations for a new developmental model that depends on creativity, efficiency and benefiting from the modern information revolution, focusing on the expansion of domestic consumption, strengthening the service sector, reform of the financial and tax system, aiming for quick improvement in performance in the public sector and state-owned enterprises, as well as creating a balance between development in the cities and the countryside.
• Politically, the agenda reiterated the need for political reforms aimed at strengthening leadership, improving the efficiency of party officials, reducing bureaucracy, eliminating nepotism, standardisation of procedures and the speeding up of decision making processes. It also focused on the need to combat what it called the ‘imminent danger’ posed by corruption to the party’s reputation and legitimacy, considering that any failure in this may lead to the collapse of the party and the state. The new secretary general entrusted the responsibility of party discipline, monitoring and combating corruption to Wang Qishan, the powerful newly elected member of the Standing Committee of the Politburo. It is expected that Xi, after assuming the office of president next March, will reduce the number of ministries from forty to twenty-six, similar to the decision of the party’s fifth general conference in 1997 to reduce the number of ministries from seventy to forty.
• Socially, the agenda stressed the need for the Central Committee to continue to control and monitor internet content to ensure the maintenance of what Xi called ‘Chinese cultural ethics’. He also stressed the need to develop programmes with radical solutions to treat the issues that affect social stability. The agenda also called for the acceleration of the reform of health and education systems and to build strong insurance and social security networks.
• Concerning relations with Taiwan, the agenda focused on the necessity to stick to the policy of ‘one country, two-regimes’ and the principle of ‘one China’ and to intensify efforts to create an appropriate atmosphere for peaceful reunification of the country and counter any attempts at Taiwanese independence.
• Militarily, the agenda called to accelerate the construction and modernisation of the army and national defence forces to cope with new global military innovations and to be compatible with China’s growing international stature, interests and national security,
especially at this time when traditional and non-traditional security threats facing China are overlapping.

• At the international level, the agenda called for the Chinese government to strengthen the role of China globally and to highlight its cultural and civilisational heritage as one of the most important tools of soft diplomacy. It also called for playing an active role in the formation of a new international system based on multilateralism, mutual trust, justice and equality and to be equitable and diverse. The statement also opposed the use or threat of force in solving regional and international conflicts, denouncing the domination of some countries and interference in the countries’ internal affairs.

**Prospects for the Future**

• The conference was the culmination of achievements by the country’s single party, governing for over six decades since the founding of the republic, indicating that it is still capable of holding onto the reins of power, providing new solutions for the obstacles and challenges facing China. At the same time, it demonstrates the need to adopt new policies and radical reforms to many policies and the behaviour of many of its officials in order to face the serious and unusual economic and social changes in China and the world.

• The party displayed mature political thinking and coping mechanisms for continuous and increasing change, as well strategic thinking in its seamless transfer of power from one generation to the next, thus preventing political and social instability, despite increased competition between different factions within the party. But this does not mean that the Standing Committee will not experience serious internal conflicts that will affect decision making or that the new secretary general will not attempt to monopolise power. What will persist is the collective leadership approach adopted by the party for several years, with the Russian ‘Putin Model’ unlikely to gain traction in China.

• Based on its traditional political behaviour, it is unlikely that the new leadership will introduce political reforms, but it certainly will try to do its utmost to achieve structural economic reforms, to be closer to the masses and more transparent in the management of crises so as to restore the shaken public confidence in the party.

• The new leadership is not not expected to maintain the same pace of economic development that China has seen in recent years but it has expressed determination to do as much as it can to mitigate any major setbacks that may arise from unexpected economic and financial changes internationally.

• A top priority continues to be the maintenance of internal stability and unity amongst minorities but it will depend on the new leadership’s ability to manage and contain crises that emerge in this area.

• Another issue of concern continues to be that of the rural areas, farmers and agriculture. The new leadership will have to consider solutions in its development policies
that will be balanced between urban and rural areas, agriculture and industry, and between the rich coastal and poor interior territories.

• The complex relationship with Washington continues to be very important to the Chinese leadership. Apart from possible occasional political or commercial tensions, it will remain within the circle of containment.

• China's relationship with regional neighbours will continue to be driven by caution and suspicion. The new leadership may succeed in controlling some of less pertinent issues, such as its competitive relations with Russia and India, and will try to get closer to some of its neighbours such as the republics of Central Asia; but China's relations with Asian countries and powers are expected to witness more tension, especially with the Philippines, Vietnam and more so with Japan, a relationship which may reach the edge of the abyss. The new Chinese leadership may resort to increasing the level of tension with Tokyo and to create a crisis to demonstrate its ability to manage crises and gain public support from this move.

• The new leadership will continue to strengthen the capacity of China's military, especially the navy – due to the realisation that the sea has always been China's weak spot through which came all scourges that led to the subordination of China in what was known as the 'period of national humiliation'. It has thus become China's firm conviction that all the states and major powers over time have been able to expand their interests and bolster their defences only after managing to build a mighty naval force. But the Chinese leadership will need to make additional efforts to reassure its neighbours that its military expansion is not aimed at military domination but the maintenance of security and stability in the region. It is unlikely that China will manage to alleviate such concerns, but this may lead to more cooperation between neighbouring countries – especially South Korea – and Washington.

• China's new leadership will try to enhance its presence in the international arena through multilateral diplomacy, especially within the framework of the Shanghai Cooperation Organization, as well as with rising economic powers such as the BRICS (India, Russia, Brazil and South Africa) countries. At the same time, China will continue its policy of avoiding engagement in regional and international conflicts, with the exception of involvement in peacekeeping forces, as well as in the issues that may affect them directly, such as North Korea's nuclear project. China may be forced – temporarily and under special international circumstances – to harden its attitude towards some international issues, such as Iranian nuclear aspirations, to demonstrate its the support of Moscow under such circumstances.

The new leadership will be very busy tackling a long series of new and emerging challenges which are no less important or serious than its old, protracted challenges.
China’s new leadership will remain under the microscope of the demanding Chinese public and the world as a whole, which is monitoring the behaviour of this new leadership and examining where it will lead China in the next decade.

The performance of the Chinese leadership will be judged differently by internal and external elements, which have different interests. The Chinese public believes in maintaining continuity and avoiding a rupture with the past, and believes that any action that China takes on any level will reflect in the country’s forthcoming cultural and social heritage. The Chinese public is also fully aware of the party’s complex decision making process, which takes time as it is based on collective cultural, social, political and even psychological interests.

This explains the modest requests for reform by Chinese activists and academics compared with their counterparts elsewhere in the world. Their perception of change is that it is a slow, cumulative process that needs time to be implemented, as opposed to others who view change as a fast coup operation.

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