The Big Read China Politics & Policy

Xi Jinping and China's 'good emperor, bad emperor' problem

President must prove he can govern complex society despite increasing centralisation of power

Tom Mitchell, Lucy Hornby and Tom Hancock in Beijing MARCH 7, 2018

Five years after he set out to accumulate more power than any Chinese "paramount leader" since Deng Xiaoping and Mao Zedong, Xi Jinping is poised to reveal just what he intends to do with that influence.

With the annual session of China's rubber-stamp parliament entering its second and final week, Mr Xi will soon unveil key personnel appointments and a government restructuring that will indicate his priorities — such as a further blurring of the boundaries between the Chinese state and the ruling Communist party.

The proposed constitutional change that could allow Mr Xi to remain as president beyond the end of his second term in 2023 represents a doubling down on a <u>centralisation of power</u> that he pursued in his first five years in office.

But as Mr Xi begins to articulate his immediate plans for the government, he also faces more fundamental questions about how the Chinese system will function. Having swept away many of the rules and procedures that encouraged greater consensus in decision-making, Mr Xi now has to demonstrate whether a one-dimensional political system can effectively govern an increasingly sophisticated economy and society.

"You can click your fingers and have the head of PetroChina taken into custody," says Richard McGregor, an analyst at the Lowy Institute in Sydney. "But you can't click your fingers and change a fast-moving, complex and continental-sized economy with deep international [links]."

This challenge was dramatically highlighted last week, when it was revealed that the party's Central Committee had formally "recommended" rescinding the two-term limit. The shockwaves from that decision, which gives Mr Xi the option of remaining president far beyond 2023, are still reverberating through the corridors of the Great Hall of the People, where the National People's Congress is meeting.

The NPC traditionally focuses attention on the economy, celebrating China's economic success and planning for the year ahead. Over the course of Mr Xi's first five years in office, the Chinese economy expanded by more than 50 per cent to Rmb82.7tn (\$13.1tn), created 66m new urban jobs and lifted 68m people from poverty.



The National People's Congress in session at Beijing's Great Hall of the People on Monday © AP

But this year's session, which formally marks the start of Mr Xi's second five-year term as state president, is all about politics. It follows a party congress in October at which he outlined his vision for China's emergence as a first-rank global power by the middle of the century, and was reappointed as both party general secretary and chairman of a party

military commission that controls China's armed forces. These far more powerful party positions are not subject to term limits.

"I had Xi pegged as a more traditional Chinese leader who would project his power with fewer titles rather than more [after 2023]," says Christopher Johnson at the Center for Strategic and International Studies in Washington. "It tells us very clearly that these days the state presidency is actually fairly important for a country that wants to exercise greater influence on the global stage."

The NPC will rubber-stamp the term-limits amendment, along with 20 others, on Sunday — marking the first time the constitution has been revised in 14 years.

The announcement about the end of term limits has set off a wide-ranging debate within China about the nature of the political system. Even previously unabashed "neoauthoritarian" fans of the more powerful state arising from Mr Xi's administration — which has been defined by a ruthless anti-corruption campaign, a more assertive foreign policy and increased <u>repression and censorship</u> at home — have struggled to defend the controversial decision.

What they worry about is the tendency for powerful figures such as Mr Xi to surround themselves with yes-men who say only what they think the leader wants to hear. In the three decades that Mao ruled China, this phenomenon contributed to one of the greatest famines in recorded history and to the disintegration of the country during the cultural revolution. In Mr Xi's China, writing objectively about these twin tragedies is impossible, having been deemed an act of "historical nihilism".

"A long-term tenure system reduces the ability of the system to make self-corrections," says one prominent neo-authoritarian academic who asked not to be identified.



Mao Zedong with Zhou Enlai, the PRC's first premier, in 1953. People close to Xi Jinping say that he has no illusions about the former leader's mistakes © AFP

"Only people of the highest quality, who are careful, discerning and attentive, are suitable for long-term rule without making mistakes," the scholar adds. "As the Chinese public knows, of 422 Chinese emperors [throughout history] only a few have been <u>truly</u> enlightened and open . . . It is understandable that society has some doubts about this revision to the constitution."

People close to China's leadership say that in private, Mr Xi has no illusions about Mao's mistakes. His own father, a high-ranking party and government official, was purged by Mao and as a teenager Mr Xi was <u>"sent down"</u> to the countryside during the cultural revolution.

The two-term limit that Mr Xi is now discarding was introduced in 1982 by Deng — the architect of the party's successful post-Mao "reform and opening" policy — specifically in order to guard against the yes-men dilemma.

Susan Shirk, a China specialist at the University of California, San Diego, says "there is a risk of really poor decisions, big mistakes" as Mr Xi edges towards life-long rule. "Not necessarily famine or chaos like during the cultural revolution," she adds. "But we don't know what kind of mistakes he might make if surrounded by yes-men. That's what Deng tried to avoid."

Many of these concerns have focused on Cai Qi, an inexperienced loyalist who Mr Xi appointed last year as party secretary in Beijing, one of the country's most critical jobs. Mr Cai, who had worked for Mr Xi when he was party boss of eastern Zhejiang province, was also given a seat on the Politburo at last year's 19th Party Congress, making him one of China's 25 most powerful officials.

This winter Beijing residents have been mocking what many call Mr Cai's san da hun zhao, or "three dumb ideas".

These included the eviction of tens of thousands of migrant workers from allegedly unsafe dwellings in frigid weather; the seemingly needless removal of billboards and signage — including even some university and hospital signs — that people say have made it more difficult to locate buildings; and confiscation of dirty coal heating stoves from poor people who have no alternative sources of warmth.

For many people worried about Mr Xi's ever tighter grip over the party, government, military, economy and civil society, grumbling about Mr Cai has become a relatively safe way to criticise his patron.

"I wonder how many people froze to death because of the ban on coal heating," says one Chinese professional.

In the shadow of Xi

LIU HE



The closest economic adviser to President Xi Jinping is poised to become one of China's most powerful vice-premiers since Zhu Rongji assumed day-to-day control of the economy and central bank in the mid-1990s. His portfolio will also include trade negotiations with the US.

Unlike Mr Cai's promotion, two high-profile appointments at this month's parliament will be widely welcomed by reformist officials and investors.

Wang Qishan, the recently retired head of Mr Xi's anti-corruption campaign, will return to the political stage as vice-president, according to three people close to the leadership. Mr Wang has been nicknamed the party's "<u>fire brigade chief</u>" for his ability to defuse crises over the years. As vice-premier from 2007-2012, he was also the point person in China's relations with the US.

The president's previously low-profile economic adviser, Liu He, will step out from the shadows as a new vice-premier and de facto economic tsar, overseeing China's financial sector as well as the US portfolio that Mr Wang once held.

Mr Liu, a respected economic reformer, has never held a major administrative job and comes across to some observers as more of an academic than a political heavyweight who can bend China's bureaucracy to his will. "He's a breath of fresh air," says one person who worked closely with Mr Liu on a state-owned enterprise reform project. "But he's also untested in a major government role."

On looming policy matters, the Xi-Wang-Liu triumvirate appears united on everything from the need to continue the ongoing crackdown on risky financial practices while also, if possible, defusing a potential trade war with the US. For the foreseeable future, this triumvirate will face no outward opposition when it comes to economic and financial policies.

Yet the expected appointments highlight the degree to which Mr Xi has sidelined Li Keqiang, the premier, whose responsibility it would usually be to run the day-to-day operations of the government, especially on economic policy. One risk for Mr Xi in snubbing his premier is that the president alone will own any policy mistakes.

In the shadow of Xi



Premier since 2013, Mr Li and his State Council have been largely sidelined by Mr Xi and the party "leading groups" he chairs. Previous presidents and premiers have traditionally acted as chairman and CEO respectively of the party-state. But in Mr Xi's China, Mr Li is at best a chief operating officer.

CAI QI



The Beijing party secretary, who worked with Mr Xi in eastern Zhejiang province, is a fast-rising politician who joined the party's politburo in October. But he has been mocked over *san da hun zhao* — or "three dumb ideas" — that have raised questions about whether he is capable of governing the capital.

While Mr Xi can appear to foreign audiences to be all powerful, the controversial term-limit amendment could end up costing Mr Xi more political capital than he had anticipated.

At the very least it has exposed sharp divisions in Chinese society between urban intellectuals and professionals who worry about a return to the vicissitudes of Maoist oneman rule, and workers and farmers who see Mr Xi as a strong, capable leader who cares about them in a way they feel his predecessors did not.

Since the term-limit amendment was announced, there has been an almost palpable fear among urban intellectuals and professionals that China is on the cusp of a political regression from which it might not recover.

"The amendment shows China will follow Xi's will for an indefinite period of time," says one prominent Beijing academic, who asked not to be quoted by name. When pressed for his personal view on the term-limit amendment, he lost his temper. "Do not pump me for my opinion on this," he said. "Do you want me to get in trouble?"

"Everyone is unhappy, even senior staff who tend to be more conservative," says one editor at a large state media outlet. "Many of my younger colleagues are very angry."

Sun Liping, a professor of sociology at Beijing's Tsinghua University, recently wrote on his social media account about a university party whose attendees all had children living overseas. "The problem today is not just that elites are leaving the country," he says. "The trend is spreading to middle-class people as well."



US President Donald Trump: Xi Jinping's backers argue that the Chinese leader is a force for stability in a chaotic world Others argue, however, that in a world roiled by an erratic, protectionist US president and Britain's decision to leave the EU, Mr Xi is a force for stability and progress in the world's most populous country and second-largest economy. "The world is very chaotic at the

moment," Wang Jiapeng, an NPC delegate from Jiangsu province, told the Financial Times as he waited to enter the Great Hall on Monday. "China needs strong leadership."

"China is never free of the 'good emperor, bad emperor' syndrome," says Yanmei Xie, senior China policy analyst at Gavekal Dragonomics, a Beijing-based consultancy. "The logic is not that hard for many Chinese to accept: 'We've got a good emperor, so let's keep him as long as possible."

Ms Xie adds that for all the fears that Mr Xi might emerge as a "second Mao", his emphasis on party discipline is an important distinction.

"Mao weakened the party and the state for personal advantage, she says. "Xi is not like that. He's committed to strengthening the party and selectively empowering institutions as long as they remain subordinate to the party."

Additional reporting by Xinning Liu and Emily Feng

NPC Grumbles undermine 'surface-level unity' over move

Core pillars of the Chinese party-state have been unsettled by the decision to scrap the two-term limit on the presidency.

On Monday Wang Chen, secretary-general of the National People's Congress, was 40 minutes into an hour-long speech when the assembled delegates — many of whom are also civil servants and party members — interrupted him with a round of applause. Their cue was Mr Wang's first mention of the term-limit revision.

Mr Wang received an even bigger ovation when he added that the change would "be beneficial to, and protect the authority of, the Communist party's central leadership with Comrade Xi Jinping at its core".

But there were also some sotto voce grumbles after Mr Wang had finished his 39-page report detailing the proposed constitutional amendments.

At least one delegate expressed concerns about the secrecy surrounding the drafting of the term-limit amendment — a decision which was endorsed by the party's Central Committee on January 26 but kept under wraps until it was formally announced on February 25.

"Most government reports go through an internal process before they are approved," one delegate remarked inside the Great Hall of the People. "They just gave us this

According to one Beijing party member who attended a briefing on the constitutional changes shortly after January 26, he and his colleagues were told that there would be more than 20 amendments including a "possible" change to the two-term limit on the presidency and vice-presidency.

They were also reminded to maintain "party discipline".

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