

CHINA NEWS

Xi's Power Play Foreshadows Historic Transformation of How China Is Ruled

Party insiders say president wants to remain in office after his second term, breaking succession conventions

By *Jeremy Page and Lingling Wei*

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BEIJING—China's Communist Party elite was craving a firm hand on the tiller when it chose Xi Jinping for the nation's top job in 2012. Over the previous decade, President Hu Jintao's power-sharing approach had led to policy drift, factional strife and corruption.

The party's power brokers got what they wanted—and then some.

Four years on, Mr. Xi has taken personal charge of the economy, the armed forces and most other levers of power, overturning a collective-leadership system introduced to protect against one-man rule after the death of Mao Zedong in 1976.

Shattering old taboos, Mr. Xi has targeted party elders and their kin in an antigraft crusade, demanded fealty from all 89 million party members, and honed a paternalistic public image as *Xi Dada*, or Big Papa Xi.

Now, as he nears the end of his first five-year term, many party insiders say Mr. Xi is trying to block promotion of a potential successor next year, suggesting he wants to remain in office after his second term expires in 2022, when he would be 69 years old.

Mr. Xi, who is president, party chief and military commander, “wants to keep going” after 2022 and to explore a leadership structure “just like the Putin model,” says one party official who meets regularly with top leaders. Several others with access to party leaders and their relatives say similar things. The government's main press office declined to comment for this article, and Mr. Xi couldn't be reached for comment.

Mr. Xi's efforts to secure greater authority may help ensure political stability in the short run, as an era-defining economic boom starts to falter. But they risk upending conventions developed since Mao's death to allow flexibility in government and ensure a regular and orderly transition of power.

Concern is rising among China's elite that the nation is shifting toward a rigid form of autocracy ill-suited to managing a complex economy. China's array of challenges includes weaning the economy off debt-fueled stimulus spending, breaking up state monopolies and cleaning up the environment.

“His dilemma is that he can't get things done without power,” says Huang Jing, an expert on Chinese politics at the National University of Singapore. “He feels the need to centralize, but then he risks undermining these institutions designed to prevent a very powerful leader becoming a dictator.”

Mr. Xi's supporters say he still faces resistance within the party, and needs to modernize leadership structures to confront the slowing economy and a hostile West.

At a meeting of 348 party leaders in October that granted Mr. Xi another title—“core” leader—he railed against indiscipline and warned of senior officials who “lusted for

The Great Reshuffle

China is preparing for a shake-up of its top leadership at a five-yearly Communist Party congress in late 2017 that will mark the beginning of Xi Jinping's second term in office.

Expected to retire ■ Purged for corruption ■ Expected to remain ■ Uncertain

POLITBURO STANDING COMMITTEE TOTAL MEMBERS: 7

Expected to retire: 4 to 5



Xi Jinping, age 63	Li Keqiang, 61	Wang Qishan, 68	Zhang Dejiang, 70	Yu Zhengsheng, 71	Liu Yunshan, 69	Zhang Gaoli, 70
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POLITBURO TOTAL MEMBERS: 25

Includes Standing Committee plus top two generals, heads of major party departments and leaders of major provinces and cities

Expected to retire: 10 to 11

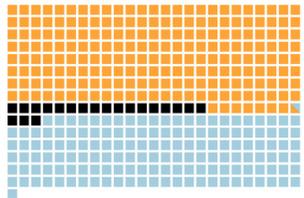


CENTRAL COMMITTEE TOTAL MEMBERS: 376

Includes Politburo plus state industry chiefs, provincial leaders and senior generals

Expected to retire: about 208

Purged for corruption: about 20



Source: staff reports
THE WALL STREET JOURNAL.

power, feigned compliance and formed factions and gangs.”

Since then, many party members have signed written pledges of “absolute loyalty.” In a speech in October, the party chief of Henan province, Xie Fuzhan, hailed Mr. Xi as a “great leader”—words usually reserved for Mao.

Hours before Donald Trump's election victory, China officially launched its own convoluted process for selecting a new national leadership team, to be unveiled at a twice-a-decade party congress next fall. Up to five of the seven members of the Politburo Standing Committee, China's top leadership body, are due to retire.

Only Mr. Xi and Premier Li Keqiang would remain if the party observes the precedent, established in 2002, that leaders over age 67 step down.

Replacements usually are chosen by outgoing and retired Standing Committee members. The custom since 2007 has been that two of those selected are young enough to succeed the party chief when he completes his second term.



Chinese President Xi Jinping, left, and Premier Li Keqiang arrived for the opening session of the National People's Congress in March. PHOTO: AGENCE FRANCE-PRESSE/GETTY IMAGE

Shortly before China began formal preparations for the congress, senior party official Deng Maosheng cast those conventions into doubt by saying at a news conference that the idea of an age limit for top leaders was a “popular saying” that “isn't trustworthy.”

Some party insiders say they believe Mr. Xi is trying to pack the new Standing Committee with allies and to hinder others from elevating favorites. They say he wants his anticorruption chief, Wang Qishan, to keep his seat despite already being 68, and possibly to take over as premier. Messrs. Wang and Li couldn't be reached for comment.

There is even talk within the party of shrinking, downgrading or scrapping the Standing Committee and adopting a more presidential system like Russia's, in which Vladimir Putin, now in his third term, has broad executive authority and could serve until 2024.

Succession talk

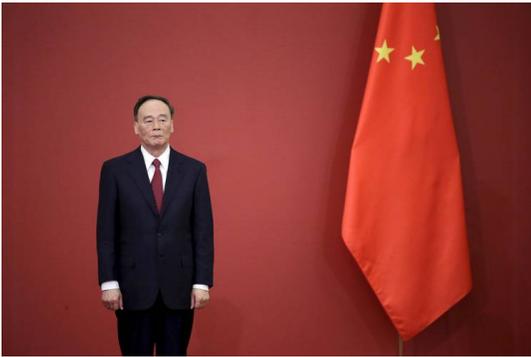
Recent internal discussions suggest that “no successor will be appointed” to the Standing Committee next year, says the party official who meets regularly with top leaders. Mr. Xi is “very forceful about preventing the elders from interfering too much,” he says.

Some of those ideas may be bargaining positions to bolster Mr. Xi’s hand in the negotiations that precede the congress.

Some believe that his rivals may yet thwart his ambitions, or that he could change direction in his second term. With no overt signs of resistance, however, there is a sense among many who meet or monitor China’s leaders that it could be the start of a new era of hard authoritarianism.

“China’s strongest leaders needed at least 20 years to achieve results. Xi Jinping will be the same,” says one retired senior official who has regular access to party leaders. “Mao built the nation. Deng Xiaoping made it rich. We’re now in the Xi era, which will make it strong.”

Mr. Xi’s goal appears to be to remodel the party as a disciplined organization, loyal to him personally, and to reassert its role as the dominant force in society and the economy. He believes in top-down decision-making by a small circle of advisers, who now govern through a dozen or so committees Mr. Xi heads, party insiders say.



Anticorruption chief Wang Qishan, a powerful ally of President Xi, sits on the seven-member Politburo Standing Committee, China’s top leadership body. PHOTO: JASON LEE/REUTERS

His reputation within the party is as a micromanager who frequently makes notes on the many documents crossing his desk. One of his committees, the Central Leading Group for Comprehensively Deepening Reforms, has issued 96 edicts this year, up from 65 last year and 37 the year before.

Mr. Xi has won popular support by fighting corruption and mobilizing the military to enforce territorial claims and protect Chinese interests world-wide, while boosting his global stature with a “One Belt One Road” plan for infrastructure links between East and West.

He is using big data to establish new means of control, including a “social credit” system to monitor and rate citizens’ financial and other activities by 2020.

In other areas, recentralizing power hasn’t helped. After pledging to allow the market a “decisive role” in 2013, his government mishandled a stock-market crash and currency devaluation last year, and this year he began advocating a stronger role for the state in the economy, directly contradicting signals from Premier Li.

Efforts to curb state spending and high debt levels appear to many economists to have been trumped by Mr. Xi’s goal of doubling gross domestic product between 2010 and 2020.

With property prices and capital outflows ballooning, the prospect of bolder overhauls dimmed in November with the dismissal of reformist finance minister Lou Jiwei .

Mr. Xi's emphasis on obedience and austerity has prompted many officials to leave government while others simply pass along orders or avoid taking initiative, according to many who work in or deal with the government.

Bureaucrats are inundated with official documents and study sessions related to Mr. Xi's many campaigns, including a recent one directing them to read, deliver presentations and do written tests on a book of his speeches.

A judge in a large Chinese city says he resigned this year because of rules that required him to hand in his passport, report on his family life and attend political meetings at which superiors would read out official documents, already published in state media, often for two hours at a time.

Stifling debate

A campaign against dissent and Western influence in media, arts, education and law is stifling creative thought and open debate, according to some people working in those areas.

Liberal economist Mao Yushi, 88, who advocates scrapping the state sector, says he recently was warned by a party official to resign from the independent Unirule Institute of Economics that he co-founded in 1993. He says the institute's Chinese donors fear official retribution and its foreign sponsors face a new law restricting foreign funding.

He says he is still optimistic for China, but only "after Xi Jinping."

China has vacillated between one-man and collective rule for a century. Even Mao Zedong initially shared control with other revolutionaries after the 1949 Communist takeover, before enforcing his dominance and plunging China into two decades of chaos that killed tens of millions. Deng Xiaoping, his successor who launched China's economic liberalization, developed rules for sharing and ceding power.

"There is a limit to anyone's knowledge, experience and energy," Mr. Deng said in a 1980 speech often cited by critics of Mr. Xi, who now has at least 12 titles. Mr. Deng tried to remove the party from day-to-day government, delegating power to ministries and local authorities.

Hu's Example

Hu Jintao, who ruled beginning in 2002, was China's first leader to give up all of his posts—party head, president and military chief—after 10 years in office.

By 2012, the party was in crisis. Corruption and party infighting had been exposed by a scandal involving Bo Xilai, a Politburo member ultimately jailed for abusing power after his wife was convicted of murdering a British businessman.



Xi Jinping believes in top-down decision-making by a small circle of advisers, who now govern through a dozen or so committees he heads. PHOTO: DAN KITWOOD/AFP/GETTY IMAGES

An economic growth model driven by exports and infrastructure investment was flagging. Labor costs, social unrest, local-government debt and environmental problems were rising, undermining the party's main claim to legitimacy—that it delivered political stability and ever increasing prosperity.

Some in the party felt the diffusion of power had gone too far.

Mr. Xi, the son of a revolutionary hero purged by Mao but later rehabilitated, had no cohesive power base. His appointment was largely engineered by former President Jiang Zemin. Premier Li was known to have been Mr. Hu's first choice as his successor.

Still, Mr. Xi had a powerful ally in Mr. Wang, a friend for several decades who was now anticorruption chief. Together, they used the Bo scandal as justification to launch an anticorruption campaign that targeted potential threats to Mr. Xi's authority as well as a real problem for the party.

President Hu's chief of staff, one of his most senior generals and his domestic security chief, Zhou Yongkang, as well as many lower-level officials associated with them were convicted of corruption. That curbed the influence of networks centered around Mr. Xi's two predecessors.

He antagonized many people along the way. "So many groups have been targeted now, it could be dangerous for him to retire" in 2022, says Zhang Lifan, a Beijing-based political commentator. "That's also why he wants Wang Qishan to stay."

Fear of corruption investigators prevents overt challenges, but passive resistance within the party is widespread, and as Mr. Xi accumulates power he assumes more responsibility for failure, party insiders say. He has limited numbers of people he can truly trust, these people say. His power is undisputed, yet fragile, they say.

The anticorruption campaign has morphed into a drive to enforce discipline, increasingly defined as implementing Mr. Xi's decisions.

At a meeting in October, the Central Committee approved Mr. Xi's status as "core" leader—a title never conferred on Mr. Hu. The takeaway for party members who discussed the development at subsequent meetings was that Mr. Xi had the final say on all issues, including next year's reshuffle.

Li Zhanshu, head of the party's powerful General Office, urged officials in a November newspaper editorial to rally around Mr. Xi as "the most prestigious, the most influential and the most experienced" party leader.

Some party members expect Mr. Li, one of Mr. Xi's closest allies, to take the anticorruption job on the Standing Committee next year, with Mr. Wang becoming premier instead of retiring. That would tighten Mr. Xi's hold on power until 2022 and set a precedent for him staying on after that.

There is a constitutional two-term limit on the presidency. There also are party rules saying no leading official can stay in the same post longer than 10 years, or at the same level of the party for more than 15.

Some party insiders say the latter rules don't apply to the Standing Committee. Others believe Mr. Xi could change the rules, or switch roles, as Mr. Putin did in 2008.

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