

# China Politics Weekly

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Dear friends and colleagues,

Happy New Year! We are now only four weeks away from the new year. I apologize for not having written much over the past few months. My new year's resolution is to make more time for CPW.

Your comments and feedback are always welcome. Old issues are always available at [www.chinapoliticsweekly.com](http://www.chinapoliticsweekly.com). Sign up or unsubscribe by sending an email to [info@chinapoliticsweekly.com](mailto:info@chinapoliticsweekly.com).

It's hard to find much good news in China these days. I think growth will surprise on the upside in H1, but it's hard to see how the government achieves its 6.5% growth target over the 13<sup>th</sup> Five-Year Plan. Will they try to leverage up to hit the target? If they do, will they be able to succeed in making to 2020 without a crash? And if they do, does all hell break loose post-2020 (or post-2023)?

Maybe they just massage (i.e. fudge) the statistics?

Or maybe they instead admit defeat and just accept lower growth? This would be best outcome, but in a system obsessed with control, led by a leader obsessed with control, it seems unlikely. As I said in [a recent piece for the FT's Beyondbrics blog](#):

"It has become increasingly apparent that Xi Jinping's focus on buttressing Communist Party control is hindering progress on key structural reforms. Xi's anti-corruption campaign has strengthened extra-legal Party disciplinary mechanisms, undermining the rule of law. And his centralization of policymaking has resulted in a state-dominated approach to economic management that is hindering the reforms necessary to rebalance and upgrade the economy. Market-oriented reforms are not entirely off the table, but the overall outlook has deteriorated."

## PBSC Week in Review

- |                   |              |   |
|-------------------|--------------|---|
| <b>Xi Jinping</b> | <b>Jan 8</b> | <b><a href="#">Xi attended the State Science and Technology Awards ceremony.</a></b>  |
|                   | <b>Jan 7</b> | <b><a href="#">Xi chaired a Politburo Standing Committee meeting.</a></b><br><i>Meeting focused on Party-building. Heard reports from leading Party groups in the NPC, State Council, CPPCC, SPC and SPP.</i> |
|                   | <b>Jan 6</b> | <b><a href="#">Xi went on inspection tour to Chongqing.</a></b>   |

- Jan 5**      **Xi went on inspection tour to Chongqing.**
- Xi inspected the PLA's 13<sup>th</sup> Group Army.**
- Xi attended a symposium on promoting the development of the Yangtze River Economic Belt.**
- Xi appointed a new ambassador to Jordan.**
- Jan 4**      **Xi went on inspection tour to Chongqing.**
- Dec 31**      **Xi addressed a New Year's celebration hosted by the CPPCC.**  
*Full text of his speech (in Chinese).*
- Xi delivered his annual New Year speech.**  
*Full text of his speech (in Chinese).*
- Xi and Russian President Vladimir Putin exchanged New Year's greetings over the phone.**
- Xi addressed the founding ceremony of the general commands of the Army, Rocket Force and Strategic Support Force of the PLA.**
- Dec 30**      **Xi chaired a study session of the Politburo.**  
*The session focused on enhancing patriotic spirit. Xi spoke at the meeting and Tsinghua University professor Chen Lai gave a lecture.*
- Xi attended a New Year's Chinese Opera Gala.**
- Dec 28-29**      **Xi chaired and spoke at a Politburo meeting.**  
*The Central Commission for Discipline Inspection will hold a plenum Jan 12-14. The meeting discussed measures to strengthen Party discipline and clean governance. In his speech, Xi urged the Politburo members to toe the Party line.*
- Dec 25**      **Xi inspected the PLA Daily headquarters.**
- Dec 24**      **Xi sent a written instruction to the Central Rural Work Conference.**
- Dec 23**      **Xi met with Vietnam's National Assembly chairman Nguyen Sinh Hung.**
- Xi met with Hong Kong SAR Chief Executive Leung Chun-ying.**
- Xi met with Macau Chief Executive Chui Sai On.**
- Dec 22**      **Xi met with Iraqi Prime Minister Haider al-Abadi.**  
*China and Iraq agreed to establish a strategic partnership.*

**Xi sent a letter of congratulations to the China Academy of Chinese Medical Sciences on its 60<sup>th</sup> anniversary.**

**Dec 21 Xi chaired the Central Urban Work Conference.**

*The meeting pledged to put urban development at the center of China's next stage of reform by building more city clusters and giving migrant workers the same rights as urban residents. This was the first meeting of its kind in 37 years.*

**Dec 20 Xi sent a written instruction to Shenzhen in the wake of the landslide.**

**Dec 18-21 Xi attended and spoke at the Central Economic Work Conference.**

*Supply-side economics with Chinese characteristics...*

**Dec 16 Xi gave the keynote address at the opening ceremony of the World Internet Conference in Wuzhen, Zhejiang Province.**

*Full text of his speech (in Chinese).*

*China continuing to push the idea of "internet sovereignty" – will likely become increasingly contentious issue between China and the West (particularly the US) in the coming years.*

**Xi collectively met with leaders attending the Shanghai Cooperation Organization meeting in Wuzhen, Zhejiang Province.**

*Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Uzbekistan.*

**Xi attended the 'Light of the Internet' expo in Wuzhen, Zhejiang Province.**

**Xi met with Pakistan President Mamnoon Hussain in Wuzhen, Zhejiang Province.**

**Xi met with Kazakhstan Prime Minister Karim Massimov in Wuzhen, Zhejiang Province.**

**Dec 15 Xi met with Russian Prime Minister Dmitri Medvedev in Wuzhen, Zhejiang.**

**Dec 14 Xi chaired a meeting of the Politburo.**

*The meeting focused on keeping economic growth at a proper range and advancing structural reforms in 2016; agreed on methods to improve the business environment; continue SOE reform; and reform of the household registration system.*

**Xi chaired a meeting of the Politburo focusing on analysis of 2016 economic work.**

**Xi met with crown prince of Abu Dhabi of the United Arab Emirates Sheikh**

**Mohammed bin Zayed Al-Nahyan.**

*The two leaders witnessed the signing of an MOU opening a \$10bn investment fund.*

**Xi and French President François Hollande spoke on the phone.**

**Xi and United States President Barack Obama spoke on the phone.**

**Xi accepted the credentials of 10 foreign ambassadors to China.**

*Cape Verde, Lithuania, Slovenia, Finland, Vietnam, Brazil, Sri Lanka, Uruguay, Micronesia, Bolivia.*

<b>Li Keqiang</b>	Jan 8	<b>Li attended and spoke at the State Science and Technology Awards ceremony.</b> <i>Full text of the speech (in Chinese).</i>
	Jan 7	<b>Li sent instructions to the national family planning videoconference.</b>
	Jan 6	<b>Li chaired an executive meeting of the State Council.</b> <i>Meeting focused on improving the system of incentives and penalties for government employees; also decided to establish new pilot zones for cross-border e-commerce.</i>
		<b>Li met with President of Columbia University Lee Bollinger.</b>
	Jan 5	<b>Li went on inspection tour to Shanxi.</b>
	Jan 4	<b>Li went on inspection tour to Shanxi.</b>
		<b>Li chaired a meeting on resolving overcapacity in the steel and coal sectors.</b>
	Dec 31	<b>Li chaired a meeting on compiling the 13<sup>th</sup> five-year plan.</b>  <b>Li and Russian Prime Minister Dmitry Medvedev exchanged New Year's messages.</b>  <b>Li attended a New Year's tea party celebration of the CPPCC.</b>
	Dec 30	<b>Li attended a New Year's Chinese Opera Gala.</b>
	Dec 24	<b>Li met representatives attending a national meeting of government secretary-generals and directors of government general offices.</b>  <b>Li sent a written instruction to the Central Rural Work Conference.</b>
	Dec 23	<b>Li chaired an executive meeting of the State Council.</b> <i>The meeting discussed ways to integrate and restructure various industries in rural</i>

areas; develop direct financing; and lowered the price of coal-fired electricity as of Jan 1, 2016.

**Li sent a letter of congratulations to the start of construction of the Hungary-Serbia railway.**

**Dec 22 Li held talks with Iraqi Prime Minister Haider al-Abadi.**

**Li held talks with Hong Kong SAR Chief Executive Leung Chun-ying.**

**Li held talks with Macau Chief Executive Chui Sai On.**

**Dec 21 Li attended and spoke at the Central Urban Work Conference.**

**Dec 20 Li signed a decree to release a new map of Macao demarcating the maritime and land zones.**

**Dec 19 Li sent a letter of congratulations to Thai Prime Minister Prayuth Chan-ocha on the commencement of the China-Thailand railway project.**

**Dec 18-21 Li attended and spoke at the Central Economic Work Conference.**

**Dec 17 Li co-chaired the China-Russia Prime Ministers' Regular Meeting with Russian Prime Minister Dmitry Medvedev.**

*Signed over 30 deals for cooperation in energy, investment, finance, high technology and other areas, including: China and Russia central banks signed an MOU to cooperate on local currency settlements, bank card issuance, access to local-currency bond markets and credit rating partnerships; Sinopec and Rosneft signed an MOU on oil and gas projects in eastern Siberia; CNPC and Gazprom signed an agreement on a natural gas pipeline; China Development Bank and Vnesheconombank signed an agreement on a \$1.56 billion loan; inspection requirements on exporting Russian agricultural goods to China; and more.*

**Li and Russian Prime Minister Dmitry Medvedev held a joint press conference.**

**Li attended the closing ceremony of China-Russia Youth Year and the opening ceremony of China-Russia Media Exchange Year.**

**Dec 16 Li chaired an executive meeting of the State Council.**

*The meeting included a discussion on issues of business license reform, hydropower and nuclear power projects, national annual rewards for science and technology, and the new administrative division map of Macao Special Administrative Region.*

**Li held talks with Kyrgyzstan Prime Minister Temir Sariyev.**

*The leaders discussed deepening overall pragmatic cooperation to benefit both sides.*

**Dec 15** **Li chaired the Shanghai Cooperation Organization prime ministers' meeting in Zhengzhou, Henan.**

*The leaders agreed on proposals to enhance multilateral cooperation in transportation and to facilitate transportation; increase the scale and improve the quality of commodities and service trading; build a good investment environment; develop production capacity cooperation; and promote high-tech and financial cooperation.*

*Li proposed six 'cooperation platforms' in accordance with China's Silk Road Economic Belt proposal.*

**Li spoke at the Shanghai Cooperation Organization prime ministers' meeting in Zhengzhou.**

*Full text of his speech (in Chinese).*

**Li met with Tajikistan Prime Minister Kokhir Rasulzoda in Zhengzhou.**

**Li met with Pakistan Prime Minister Nawaz Sharif in Zhengzhou.**

**Li met with Afghanistan Chief Executive Officer Abdullah Abdullah in Zhengzhou.**

**Li and leaders attending the meeting of the Shanghai Cooperation Organization visited the Zhendong New District.**

**Dec 14** **Li held talks with Kazakhstan Prime Minister Karim Massimov.**

**Li attended and spoke at a welcome banquet for leaders attending the Shanghai Cooperation Organization prime ministers' meeting in Zhengzhou.**

**Li signed a new set of regulations on maps issued by the State Council.**

**Li attended a meeting of the Politburo.**

**Zhang  
Dejiang**

**Jan 4** **Zhang held talks with Canadian Speaker of the Senate George Furey.**

**Dec 31** **Zhang attended a New Year's tea party celebration of the CPPCC.**

**Dec 30** **Zhang attended a New Year's Chinese Opera Gala.**

**Dec 27** **Zhang attended and spoke at the closing ceremony of the NPC Standing Committee session.**

**Dec 26** **Zhang chaired a joint inquiry session on problems found in the government's 2014 budget, fiscal revenue and expenditure.**

**Zhang chaired a meeting of the Heads of Committee of the NPC.**

- Dec 25**      **Zhang chaired the bi-monthly session of the NPC Standing Committee.**  
*Passed a revision to the Law on Population and Family Planning, allowing couples to have two children; passed a law on anti-terrorism; and adopted China's first bill against domestic violence.*
- Dec 24**      **Zhang held talks with Chairman of Vietnam National Assembly Nguyen Sinh Hung.**  
*They signed a cooperation agreement between NPC and Vietnamese National Assembly to further advance favorable legal environment for bilateral pragmatic cooperation.*
- Dec 23**      **Zhang attended a meeting between Xi and Hong Kong SAR Chief Executive Leung Chun-ying.**  
  
**Zhang attended a meeting between Xi and Macau Chief Executive Chui Sai On.**
- Dec 22**      **Zhang met with Iraqi Prime Minister Haider al-Abadi.**
- Dec 21**      **Zhang chaired a meeting of the Standing Committee of the National People's Congress.**  
*Reports were heard on reforming the medical system; on standardizing regional debt; on auditing issues; on laws in ethnic minority autonomous regions; and on the enforcement of laws protecting the rights of the elderly.*  
  
**Zhang attended a group meeting reviewing the draft Counterterrorism Law and the draft law against domestic violence.**  
  
**Zhang attended the Central Urban Work Conference.**
- Dec 18-21**    **Zhang attended the Central Economic Work Conference.**
- Dec 16**      **Zhang met with Russian Prime Minister Dmitry Medvedev.**
- Dec 14**      **Zhang attended a meeting of the Politburo.**

**Yu  
Zhengsheng**

- Jan 8**      **Yu attended and spoke at a national conference for United Front officials.**
- Jan 5**      **Yu chaired a biweekly CPPCC symposium.**  
*Meeting focused on brand building.*  
  
**Yu sent instructions to a national conference on urban ethnic affairs.**
- Dec 31**      **Yu presided over a New Year's tea party celebration of the CPPCC.**
- Dec 30**      **Yu attended a New Year's Chinese Opera Gala.**

- Dec 27 **Yu chaired a meeting of the chairmen of the CPPCC.**
- Dec 24 **Yu met with Chairman of Vietnam's National Assembly Nguyen Sinh Hung.**
- Dec 22 **Yu chaired a CPPCC chairpersons meeting.**  
*The meeting determined that the next meeting will be held February 28-29, 2016.*
- Dec 21 **Yu attended the Central Urban Work Conference.**
- Dec 18-21 **Yu attended the Central Economic Work Conference.**
- Dec 14 **Yu attended a meeting of the Politburo.**

### Liu Yunshan

- Jan 8 **Liu attended the State Science and Technology Awards ceremony.**
- Jan 5 **Liu attended and spoke at a national meeting of propaganda officials.**  
*Liu said, "Party committees at all levels must enhance their instructions to propaganda organs and media, strengthen management of propaganda cadres and promote party building in publicity work, and anyone or any committee that fails to fulfill those duties will be punished".*
- Dec 31 **Liu attended a New Year's tea party celebration of the CPPCC.**
- Dec 30 **Liu attended a New Year's Chinese Opera Gala.**
- Dec 24 **Liu met with the family of Yan Su, a prominent military dramatist, and lecturers of a special meeting to introduce Yan's praiseworthy deeds.**
- Dec 21 **Liu attended the Central Urban Work Conference.**
- Dec 18-21 **Liu attended the Central Economic Work Conference.**
- Dec 16 **Liu chaired and addressed the opening ceremony of the World Internet Conference in Wuzhen, Zhejiang.**  
**Liu attended the 'Light of the Internet' expo in Wuzhen, Zhejiang.**
- Dec 14 **Liu attended a meeting of the Politburo.**

### Wang Qishan

- Dec 31 **Wang attended a New Years tea party celebration of the CPPCC.**
- Dec 30 **Wang attended a New Years Chinese Opera Gala.**
- Dec 21 **Wang attended the Central Urban Work Conference.**



	Dec 18-21	<a href="#">Wang attended the Central Economic Work Conference.</a>
	Dec 14	Wang attended a meeting of the Politburo.
<b>Zhang Gaoli</b>	Jan 8	Liu attended the State Science and Technology Awards ceremony.
	Jan 5	Zhang attended and spoke at a symposium on promoting the development of the Yangtze River Economic Belt held in Chongqing.
	Jan 4	<a href="#">Zhang inspected air pollution control work in Beijing.</a>
	Dec 31	Zhang attended a New Year's tea party celebration of the CPPCC.
	Dec 30	Zhang attended a New Year's Chinese Opera Gala.
	Dec 24	Zhang met representatives attending a national meeting of government secretary-generals and directors of government general offices.
	Dec 21	Zhang attended the Central Urban Work Conference.
	Dec 18-21	<a href="#">Zhang attended the Central Economic Work Conference.</a>
	Dec 17	Zhang attended the China-Russia Prime Ministers Regular Meeting.
	Dec 15	<a href="#">Zhang attended the inaugural ceremony of the Beijing Organizing Committee for the 2022 Olympic and Paralympic Winter Games.</a>
	Dec 14	Zhang attended a meeting of the Politburo.

#### About CPW

China Politics Weekly aims to keep business leaders, investors, diplomats, scholars and other China hands up to date on important trends in China. It is produced by Trey McArver, a London-based consultant providing advice and intelligence to firms and investors engaged in China and the region. You can find out more about Trey and CPW in [this interview](#).

**Want to help?** Please tell us how we can make this newsletter more useful to you. Feedback on both form and content are always welcome, as are suggestions for topics to be covered. Please contact us at [info@chinapoliticsweekly.com](mailto:info@chinapoliticsweekly.com). We look forward to hearing from you.

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