

China Politics Weekly

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Dear friends and colleagues,

A day late this week as yesterday was a holiday here in London. We will publish on Tuesday next week as well as I will be off again on Monday. Your comments and feedback are always welcome. Old issues are always available at www.chinapoliticsweekly.com. Sign up or unsubscribe by sending an email to info@chinapoliticsweekly.com.

The struggle to discipline the system

Xi's intensive efforts to instill Party loyalty and discipline continued apace this week. On Sunday, Liu Yunshan chaired a meeting to promote the "normalization" and "systematization" of the Two Studies, One Action campaign to inculcate ideological conformity. Organization Department heads from all provinces and sub-provincial cities attended the meeting along with a host of other senior officials including Zhao Leji, Liu Qibao, Zhang Chunxian (whose fate remains a mystery) and Zhao Hongzhu.

Xi sent instructions to the meeting, which said that Party members needed to "use Party rules and regulations to standardize Party members". Put simply, the Party needs to have a clear set of rules, and Party members need to follow those rules.

Xi's inclination towards rules is a good one. But the implication of the latest instructions is that, even after four and a half years in charge, Xi still fails fully command the bureaucracy.

Who will watch the watcher?

This lack of control is exemplified by the recent announcements of two high-profile corruption investigations. Last week, Central Committee alternate and Party Secretary of the Hebei People's Congress Yang Chongyong was placed under investigation. Before his current post, Yang was Party Secretary of Kunming – amazingly, he is the fourth consecutive Kunming Party Secretary to be investigated for corruption.

Yang is at least the 24th full or alternate Central Committee member investigated since Xi took power. The corruption in all of these cases is real, even if the motivating factor in pursuing a case is sometimes political. The obvious conclusion is that corruption is widespread at the top of the Party.

Perhaps more troubling is the case of Zhang Huawei, whom the CCDI announced yesterday is under investigation. Zhang is a vice-ministerial official and member of one of the CCDI's central inspection teams. Zhang's case is worrying because the CCDI is the very body that is supposed to police the Party. If its members are corrupt, Xi's entire enterprise is doomed.

Xi and Wang Qishan are aware of the problem. January's miniseries on corruption within the CCDI centered on the question "who will watch the watchers?" But a satisfactory answer remains elusive. The new National

Supervisory Commission, which is scheduled to be established at the 2018 National People's Congress, does not appear to address this fundamental problem.

A lot could hinge on the next NPC chairman

Much may depend on who ends up heading the National People's Congress when a new chairman is appointed in Spring 2018. At least on paper, the legislature will oversee the new commission. A strong chairman (Wang Yang? A shunted Li Keqiang?) could champion an increase in the power of the legislature in much the same way that Qiao Shi did in the 1990s. If so, it could help to create important checks to Party power, and enhance the rule of law (as opposed to rule by law).

Given Xi's apparent success in consolidating power, and his penchant for strengthening the Party in relation to the state, there is good reason to be skeptical of such an outcome. But it is also not outside the realm of possibility, and is a useful reminder of just how important the upcoming leadership reshuffle could be.

People often dismiss the NPC as a "rubber stamp". In reality it plays a crucial role in drafting and debating legislation. Since Qiao retired in 1998, it has been led by a series of conservative chairmen (Li Peng, Wu Bangguo and now Zhang Dejiang). It would be interesting to see how it might evolve under a more liberal leader.

PBSC Week in Review

Xi Jinping

Party General Secretary; PRC President; Chairman of Central Military Commission

Apr 18

Xi chaired a meeting of the Comprehensively Deepening Reform Leading Small Group.

Meeting passed opinions on promoting new business models in rural areas; opinions on supporting entrepreneurs; guiding opinions on building modern hospital management systems; implementing opinions regarding the mechanism to ensure adequate supply of medicines; rules on how to handle problems regarding illegal evidence in criminal cases; opinions on improving the systems to combat money laundering, terrorist financing and tax evasion; measures on evaluating provincial-level governments' fulfilment of educational responsibilities; and an implementation plan for reforms to prevent the import of solid waste. The meeting also deliberated a report on supervising bodies involved in implementing reforms.

Xi met with leaders of newly established or adjusted corps-level units of the armed forces.

Apr 16

Xi sent instructions to a meeting on the Two Studies One Action campaign to strengthen Party discipline.

Apr 14

Xi met with Prime Minister Sao Tome and Principe Patrice Trovoada.

Xi issued instructions praising Liao Junbo.

Liao was vice mayor of Nanping, Fujian. He died in a traffic accident while heading to a meeting on March 18. Xi says that need to take special care to provide for the families of deceased officials. Looks like an attempt to build morale within the rank and file, and show that Xi is caring father of the Party.

Apr 12

Xi and United States President Donald Trump spoke on the phone.

Discussed the situations in North Korea and Syria.

Apr 11 Xi met with Carrie Lam, the newly appointed chief executive of Hong Kong.

Apr 10 Xi held talks with President of Myanmar U Htin Kyaw.

Xi met with Norwegian Prime Minister Erna Solberg.

Xi sent condolences to Egyptian President Abdel Fattah el-Sisi after the terrorist attacks in Tanta and Alexandria.

Li Keqiang

Premier

Apr 18 Li chaired a seminar on the new development concepts. *“Innovative, coordinated, green, open and inclusive”.* Xi’s pet theory – expect to see these play a big role in the 19th Party Congress report.

Attended Comprehensively Deepening Reform Leading Small Group meeting.

Apr 12 Li held talks with Prime Minister of Sao Tome and Principe Patrice Trovoada.

Li chaired an executive meeting of the State Council.

Focused on promoting medical treatment partnership systems; strengthening safety and risk prevention systems in primary and middle schools and kindergartens; and passed draft implementation regulations for the National Statistics Law.

Apr 11 Li met with a Japanese business delegation led by Yohei Kono, former chief Cabinet Secretary, foreign minister and speaker of Japan’s Lower House.

Li met with newly appointed Chief Executive of the Hong Kong Special Administrative Region Carrie Lam.

Li granted the official certificate of appointment to Lam, who will take office as the fifth-term Chief Executive of HKSAR on July 1.

Apr 10 Li met with Myanmar President U Htin Kyaw.

Li met with a delegation of United States senators led by Steve Daines.

Li sent a congratulatory message to incumbent Prime Minister Aleksandar Vucic on winning the Serbian presidential election.

Li conveyed condolences to Egyptian Prime Minister Sherif Ismail after the terrorist attacks in Tanta and Alexandria.

Zhang Dejiang

Chair of the
National People’s

**Apr 14-
16**

Zhang visited Lithuania.

Met with Lithuanian President Dalia Grybauskaitė, Lithuanian Prime Minister Saulius Skvernelis and held talks with Lithuanian Parliament Speaker Viktoras Pranckietis.

Congress

Apr 12-14 **Zhang visited Latvia.**
Met with Latvian President Raimonds Vejonis, Latvian Prime Minister Maris Kucinskis and held talks with Latvian Parliament Speaker Inara Murniece.

Apr 11 **Zhang chaired a meeting of chairpersons of the NPC Standing Committee.**
The meeting decided to hold next Standing Committee session from April 24-27. The session will continue to review the draft amendment to the Surveying and Mapping Law; draft amendment to the Securities Law; and draft law on nuclear safety, and they will review for the first time a draft amendment to the Standardization Law.
The session will also review documents relating to NPC delegate quotas from different regions and ethnic groups. The session will hear reports by the State Council on: supply-side structural reforms; the environment; reforming the IPO system.

Apr 10 **Zhang met with Myanmar President U Htin Kyaw.**

Zhang met with a delegation of United States senators lead by Steve Daines.

Yu Zhengsheng

Chair of the Chinese People's Political Consultative Conference

Apr 17 **Yu met with Vietnamese Deputy Prime Minister and Foreign Minister Pham Binh Minh.**

Xinhua: "China and Vietnam should enhance practical cooperation in the Belt and Road Initiative, industrial production capacity, transportation and infrastructure, said Yu...Yu called on both sides to expand investment, people-to-people and party-to-party exchanges and properly manage maritime differences to push forward the comprehensive strategic cooperative relationship. Minh said relationship with China is a diplomatic priority for Vietnam, and that Vietnam is ready to increase trade, investment and people-to-people exchanges with China." China consolidating gains in SE Asia after already "winning" South China Sea debates.

Apr 13 **Yu chaired a biweekly consultation session of the CPPCC.**

Discussed cultivating outstanding people who are both religious and patriotic.

Liu Yunshan

Head of Party Secretariat; Head of Propaganda

Apr 18 **Attended Comprehensively Deepening Reform Leading Small Group meeting.**

Apr 16 **Liu chaired and spoke at a meeting on the Party education campaign.**

Apr 12 **Liu met with a delegation of the Nhan Dan (People) Newspaper, the voice of the Communist Party of Vietnam, headed by Editor-in-Chief Thuan Huu.**

Apr 10 **Liu attended and spoke at a national symposium for propaganda chiefs.**

Wang Qishan

Secretary of the

Central
Commission for
Discipline
Inspection

Zhang Gaoli
Executive Vice
Premier

- Apr 17** **Zhang met with Albanian President Bujar Nishani in Tirana, Albania.**
- Apr 16** **Zhang travelled to Tirana, Albania.**
- Apr 14** **Zhang met with Slovenian President Borut Pahor in Ljubljana, Slovenia.**
Zhang met with Slovenian Prime Minister Miro Cerar in Ljubljana, Slovenia.
Zhang travelled to Ljubljana, Slovenia.
- Apr 13** **Zhang met with Russian President Vladimir Putin in Moscow, Russia.**
Zhang's visit was for the fourth meeting of the China-Russia Investment Cooperation Committee and the meeting with the Russian chair of the China-Russia Energy Cooperation Committee.
Zhang met with Estonian President Kersti Kaljulaid in Tallinn, Estonia.
Zhang held talks with Estonian Prime Minister Juri Ratas in Tallinn, Estonia.
Zhang travelled to Tallin, Estonia.
- Apr 12** **Zhang met with Russian First Deputy Prime Minister Igor Shuvalov in Moscow, Russia.**
Zhang met with Russian Deputy Prime Minister Arkady Dvorkovich in Moscow, Russia.
Zhang met with Chief of Russian oil company Rosneft Igor Sechin in Moscow, Russia.
Zhang met with CEO of Russian natural gas company Gazprom Alexei Miller in Moscow, Russia.
- Apr 11** **Zhang travelled to Moscow, Russia.**

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. We look forward to hearing from you.

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