

China Politics Weekly

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Dear friends and colleagues,

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The plot thickens...

The big news in Chinese politics this week is the news that that Zhang Chunxian has left his post as Xinjiang Party Secretary. Zhang's new position has not been announced yet, but there are multiple rumors about where he might end up. The most widely reported is that he will become deputy head of the Party-building Leading Small Group.

There are two schools of thought on Zhang's removal. The first sees it as an effective demotion for Zhang, similar to when his predecessor Wang Lequan was moved from Urumqi to Beijing to become deputy head of the Politics and Law Commission in 2010. In this account, Zhang is being punished for his failure to calm ethnic tensions and stop the violence in Xinjiang. There have been multiple attacks in recent years, including during a visit by Xi to the region in April 2014.

However, another school of thought sees Zhang's removal as a sure sign that he is destined for the Politburo Standing Committee. As one of the most senior members of the current Politburo who will not be forced to retire, Zhang was already a top candidate for promotion at next year's Party Congress. The Party-building LSG is an important body, especially under Xi Jinping; should Zhang be made a deputy head, he would be a prime candidate to take over as head of the Party Secretariat or head of the CDIC.

This second scenario seems the more plausible to me, but until we get an official announcement on Zhang's new position, all we can do is speculate.

...probably, we think

As Zhang's case makes clear, elite politics remain opaque, even to those like your faithful editor who make a career of studying them. Another example of the paucity of information (and resultant shallow level of analysis) is apparent when looking at Zhang's replacement in Xinjiang, Chen Quanguo.

Some see Chen as Li Keqiang's man, since Chen worked closely with Li in Henan from 1998 to 2004. The two no doubt know each other very well, but other than their working together, there is scant evidence that the two are allies. As I am sure many a reader can attest, one does not necessarily become friends with everybody one works with.

Others see Chen's promotion as a sign that he has won the favor of Xi Jinping. This interpretation rests primarily on the fact that Chen was particularly effusive with his use of "the core" to describe Xi at the beginning of the year. But is that really all it takes to get promoted in Xi's China?

Of course, it's equally plausible that Chen's promotion has little to do with his relations with Xi or Li. Perhaps Chen is seen as having done a good job in Tibet, so he is now being posted to China's other restive border province?

Sadly, we may not know why Chen was promoted for some time – if ever. If any readers have any thoughts or insights into any of the above, please get in touch! In the meantime, we will do our best to keep you informed in the long run up to the 19th Party Congress!

PBSC Week in Review

Xi Jinping

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

Sept 3

Xi attended and gave the keynote speech at the opening ceremony of the B20 meeting in Hangzhou, Zhejiang.

Xi, United States President Barack Obama, and United Nations Secretary General Ban Ki Moon attended a ceremony for the US and China's signing of the Paris Climate Change Agreement.

Xi met with United States President Barack Obama in Hangzhou, Zhejiang.

Xi met with Argentine President Mauricio Macri in Hangzhou, Zhejiang.

Xi met with South African President Jacob Zuma in Hangzhou, Zhejiang.

Xi met with Italian Prime Minister Matteo Renzi in Hangzhou, Zhejiang.

Xi met with Turkish President Recep Tayyip Erdogan in Hangzhou, Zhejiang.

Xi met with Chadian President Idriss Deby Itno in Hangzhou, Zhejiang.

Xi called Uzbekistan Prime Minister Shavkat Mirziyoyev to express his condolences after the death of President Islam Karimov.

Xi called Chairman of the Uzbekistan Senate Nagmatilla Yuldashev to express condolences after the death of President Islam Karimov.

Sept 2

Xi met with Indonesian President Joko Widodo in Hangzhou.

Xi met with Senegalese President Macky Sall in Hangzhou, Zhejiang.

Xi met with Singaporean Prime Minister Lee Hsien Loong in Hangzhou, Zhejiang.

Xi met with Brazilian President Michel Temer in Hangzhou, Zhejiang.

Xi met with Laotian President Bounnhang Vorachit in Hangzhou, Zhejiang.

Xi held talks with Kazakhstan President Nursultan Nazarbayev in Hangzhou, Zhejiang.

Aug 30

Xi chaired a meeting of the Central Leading Group for Deepening Overall Reform.

Meeting passed 13 documents concerning green finance, intellectual property rights, resource allocation, healthcare reforms, rural land rights, environmental protection, poverty relief and other areas.

Documents aim to reduce the government's role in the direct allocation of resources, as well as encourage private investors to explore opportunities in environmentally friendly sectors.

New guidelines on protecting property rights offer equal protection for public and private owners of property, equities, obligatory rights, intellectual property rights and other intangible property rights.

A pilot environmental damage compensation system will be rolled out across Jilin, Jiangsu, Shandong, Hunan, Chongqing, Guizhou and Yunnan.

Science and technology institutes should adopt a salary system and pay rise mechanism that reflect the value of brainwork and provide the right motivation for scientists.

Other documents addressed reform of medical institutes as well as a broad range of health care reforms, including operation of state-run hospitals, medical insurance management, medicine supply, supervision and the development of personnel management and salary systems.

Li Keqiang
Premier

Sept 3

Li called Uzbekistan Prime Minister Shavkat Mirziyoyev to express condolences over the death of President Islam Karimov.

Sept 1

Li chaired an executive meeting of the State Council.

Approved policy measures on promoting venture capital investment to help the real economy, decided to set up a national innovation hub in Beijing, and passed a draft amendment on radio management.

Aug 30

Li met with Canadian Prime Minister Justin Trudeau.

Li attended a meeting of the Central Leading Group for Deepening Overall Reform.

Zhang Dejiang
Chair of the National People's Congress

Sept 3

Zhang presided over the closing meeting of the bimonthly session of the NPC Standing Committee.

The session ratified the Paris Agreement on Climate Change and adopted a law on national defense transport. Also passed a bill to ratify an amendment to a tariff concession schedule of China's WTO accession protocol, promising to eliminate customs duties on 201 information technology products. The lawmakers also approved the piloting of plea bargaining in criminal cases. Four laws regulating inbound investment were revised, with an easing of rules for

foreign and Taiwanese investors looking to start businesses in China.

Sept 1 **Zhang met with Canadian Prime Minister Justin Trudeau.**

Zhang attended a bimonthly session of the NPC Standing Committee.
Discussed a report on higher education reform.

Aug 30 **Zhang attended a bimonthly session of the NPC Standing Committee.**

Aug 29 **Zhang held talks with speaker of the Namibian National Assembly Peter Katjavivi.**

Yu Zhengsheng

*Chair of the
Chinese People's
Political
Consultative
Conference*

Sept 2 **Yu presided over a symposium to solicit opinions and suggestions from the head of China National Democratic Construction Association Central Committee, Chinese Peasants and Workers Democratic Party Central Committee, China Zhi Gong Party Central Committee, the Jiu San Society Central Committee as well as representatives of personages without party affiliation on promoting new urbanization.**

Aug 30 **Yu chaired the CPPCC Standing Committee plenary session.**
Urged artists to support the Party and "serve socialism".

Liu Yunshan

*Head of Party
Secretariat; Head
of Propaganda*

Sept 2-3 **Liu went on an inspection tour to Heilongjiang.**
Inspected rural areas, communities, enterprises and farms.

Sept 1 **Liu attended and spoke at the opening ceremony of the Central Party School fall semester.**

Aug 30 **Liu attended a meeting of the Central Leading Group for Deepening Overall Reform.**

Wang Qishan

*Secretary of the
Central
Commission for
Discipline
Inspection*

Zhang Gaoli

*Executive Vice
Premier*

Sept 3 **Zhang attended the funeral of late Uzbek President Islam Karimov in Samarkand, Uzbekistan on behalf of Xi.**

Zhang met with Uzbek Prime Minister Shavkat Mirziyoyev.

Sept 2 **Zhang had an inspection tour on infrastructure construction work related to the 2022 Winter Olympics Games.**

Aug 30

Zhang and Saudi Arabia Deputy Crown Prince Mohammed Bin Salman chaired the first meeting of a high-level steering committee for coordinating bilateral cooperation.

They signed 17 cooperative agreements in politics, energy, finance, investment, housing, water resources, quality inspection, science, technology and culture.

Zhang attended a meeting of the Central Leading Group for Deepening Overall Reform.

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](#).

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