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## The Significance of Decisions by the 13<sup>th</sup> National People's Congress to Chinese Policy

Marcin Przychodniak

*The results of the first session of the 13<sup>th</sup> National People's Congress (NPC, China's parliament), which concluded on 20 March, confirm the dominant position of Chairman Xi Jinping in its political apparatus. He was elected to the state chairmanship for the second time, and a change to the constitution approved by NPC members even gave him the ability to continue in his position for life. The changes to both the government and highest leadership approved at the central level and confirmed by parliament could indicate attempts to revive the dialogue with the U.S. and EU. The basis for China's economic policy will be modernisation of its economy through modern technology.*

The NPC is the most important constitutional institution in China. In reality, though, its decisions are mostly based on recommendations made by the Central Committee (CC) of the Communist Party of China (CPC). So, the just concluded first session of the 13<sup>th</sup> NPC was mainly about implementing the decisions of the 19<sup>th</sup> CPC congress from October 2017.<sup>1</sup> Its actions concluded the changes to the party's power apparatus and confirmed Xi's central position. Among the NPC's decisions, the changes to China's constitution are drawing significant attention.

**Changes to China's Constitution.** The most important change introduced by parliament was the abolition of a two-term limit (in place since 1982) on the chairman and vice chairman of China. That change allows Xi to legally stay in power for a third term after 2023, and practically even for life. Parliament also put into the preamble a reference to "Xi Jinping thought," a concept for the social and economic development of China. The NPC strengthened the superior and leading role of the CPC by moving the rule from the preamble to the first article of the constitution. Parliament also inscribed in the constitution regulations appointing a National Supervision Commission (NSC) to prosecute abuses of power among China's nearly 200 million government employees. The NSC can initiate investigations on its own and has the right of extrajudicial detention or to freeze financial assets. In the constitutional hierarchy, the NSC was placed higher than the Supreme Court, but it remains subordinate to the CPC. The new head of the commission, Yang Xiaodu, is lower in the party hierarchy than Zhao Leji, the secretary of the Central Commission for Discipline Inspection (CCDI), which prosecutes abuses within the CPC, and at the same time serves under him as a deputy in the CCDI.

**Changes to the Government and Other Institutions.** During the NPC's session, the body also elected the state leadership and approved the reconstruction of the government. The NPC will be headed by the formally third-ranked person in the state, Li Zhanshu, a member of the key CPC Standing Committee. Important also was the appointment of Wang Qishan as vice chairman. He is a former vice premier (2008–

<sup>1</sup> M. Przychodniak, "19th Communist Party of China Congress: internal and external implications," *PISM Bulletin*, no. 102 (1042), 27 October 2017.

2013) and previous CCDI secretary (2012–2017). During the 19<sup>th</sup> Party Congress, he was dismissed from the party authorities because of a respected age limit. His appointment then is not only confirmation of his close cooperation with Xi but also raises the importance of the vice chairmanship position (until recently, a mostly figurehead position). Wang is supposed to be Xi's *de facto* deputy, for example, overseeing China's foreign policy. Xi also agreed that Wang will take part in the CPC Standing Committee meetings, although without voting rights, even though he is formally an ordinary member of the party.

The NPC also approved other personnel and structural changes in China's government: Li Keqiang was once again nominated as prime minister, and as vice premiers, among others, Han Zheng as first deputy and Liu He (already Xi's trusted economic adviser). Appointments to state councillor positions (a function with a higher rank than minister but lower than vice premier) include Wei Fenghe (defence affairs), Wang Yi (foreign affairs), and Zhao Kezhi (public security). In the context of China's economic plans, the appointment of Yi Gang as the new governor of the People's Bank of China (PBC) is significant. The NPC also accepted a government restructuring programme to limit competency disputes and speed the decision-making process.

**Economic Challenges.** Parliament also approved the government work report, with its plans for 2018. It implies GDP growth of 6.5% (compared to 6.9% in 2017). Prime Minister Li Keqiang also declared total debt will decrease (in 2017, it was about 260% of GDP), which is supposed to be achieved by greater supervision by the PBC of the financial system. The aim to lower debt, though, does not mean a suspension of infrastructure investment. Vice Premier Liu will be responsible for economic policy coordination. The main priority is to secure beneficial conditions for Chinese companies abroad and the construction of an economic model for the country based on modern technological development under the "Made in China 2025" programme. Liu mentioned these ideas during this year's World Economic Forum in Davos. In February, he paid a visit to the U.S. and tried to keep his host from implementing trade tariffs on China and convince the Americans to intensify bilateral economic dialogue.

**Foreign Policy.** The NPC's decisions also mean an important change in China's foreign policy decision-making mechanisms. Besides his supervision of foreign affairs, Vice Chairman Wang Qishan is supposed to directly engage the U.S., based on his experience between 2009–2012 when he co-chaired the China–U.S. Strategic and Economic Dialogue. The difficulty of this task was reflected by U.S. President Donald Trump's decision to introduce tariffs on products important to trade with China. Under Wang Qishan's supervision will be Yang Jiechi, a member of the CPC Political Bureau, former state councillor, and minister of foreign affairs. His main task will be the coordination of all institutions engaged in diplomacy. Accordingly, Wang Yi will be the main person responsible for the implementation of foreign policy. His promotion to a state councillorship can help Wang raise the profile of the MFA, previously often undermined by other institutions such as the Ministry of Commerce, such as within China's Belt and Road Initiative (BRI).

Foreign policy will remain dominated by China's aspirations to increase the country's role in global decision-making processes and its rivalry with the U.S. Also, it is highly probable that Taiwan policy will be more radical, but that China will continue to build up its network of partners through BRI. Attempts to increase contacts with the U.S. and EU is expected. The recent visits in February of Liu He and Yang Jiechi to the U.S. succeeded in getting the administration to declare a resumption of the Comprehensive Economic Dialogue. A possible change in China's policy towards Central and Eastern Europe (CEE) could be contained in the possibility of a renewal of dialogue with the EU. The Chinese authorities are considering reducing the frequency of the "16+1 initiative" leaders' summits with CEE states to every other year instead of annually. The main reason is China's disappointment in the specific results of the summits, which supposedly have harmed the image of the Chinese prime minister participating in the summits. China also seems to believe that reducing the intensity of "16+1" contacts could be perceived as positive by EU institutions and that some Member States have treated the forum as a tool to antagonise other European states.

**Conclusions.** The NPC's decisions, mainly its changes to the constitution, have deep impact and crucial importance. They indicate a withdrawal from earlier concepts of the professionalisation of state institutions (maintained by party leadership), which were to support China's development. In Xi's evaluation, only centralised party leadership focused on one person and full party control over state institutions guarantee the accomplishment of the selected goals: building a "moderately wealthy society" by 2021 (the centennial of the CPC) and achieving the status of a "developed state" by 2049 (the centennial of the People's Republic of China).

However, Xi's use of constitutional changes to strengthen his political position also could testify to his weakness. He was unable to work out within the CPC a strong enough position to influence decision-making processes even after the end of his first term. His legitimacy is based on the rank of the party and state functions he holds, and now reflected in the amended constitution. The symbolic representation of this changed relationship was the swearing of an oath on the constitution—the first time in China's history—by people elected to important state and government positions during the latest NPC session.