

CHINA'S NEW LEADERSHIP

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Abstract

China's new Leadership was formed in the 18th Communist Congress. China is expected to seek its place in the International order and market. The country is expected to become a rising power both on a political and a financial level, threatening USA. China after reforming its internal affairs will deal with international economy and Western crisis trying to take advantage of it for its own benefit.

Keywords: China, New Leadership, CPC, Greek press, International press.

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Introduction

In this article the focus will be on the new Chinese leadership. On the 12th of November, China's Communist Party elected the new leaders, headed by Xi Jinping. The rest of the members were reduced to seven as expected: *The Communist Party of China elected Xi Jinping as the new general secretary of the party (...) The newly established leadership team of the Communist Party of China (CPC) (...) is reduced from 9 to 7 members, according to the New China agency.*¹ This paper will explore how this new leadership is expected to behave and how this will affect the international order. More specifically, this issue will be analyzed on a political and economical level.

The Chinese leadership on a political level

Most Greek journals seem to be concerned about the political difference between China and the West. *The deep differences of philosophy between China and USA can be summarized in the phrase: "The American exception has a missionary character, with USA believing that it ought to spread its values all over the world."* On the contrary *"the Chinese exception is a cultural one: China neither proselytizes nor claims that its institutions are applicable to the rest of the world."*² China does not seem to share Western beliefs on political issues and democracy. The new leadership will form its own kind of democracy and it has rejected Western models as too liberal and destructive rather than productive for the economy as it proved later.³ However, the new leader seems to have a 'Western-like' education⁴. Nonetheless, according to *LA Times*, China has totally rejected Western reforms and *as far as democracy within the party is concerned, China lags behind Vietnam and even the former Soviet Union, where the party central committee twice rejected official nominees for the top jobs, said Susan Shirk, chair of the 21st Century China program at the University of California San Diego.*⁵

China has watched the Western political model fail and wants to take distance from it. During the last two decades China has become one of the stronger political and military factors worldwide, directly threatening Capitalism. This has become even more obvious after the outbreak of the financial crisis. The new Chinese leadership should make the changes needed in order to for the country to meet the challenges of the next decade.⁶ Greek press seems to think that the USA-China relationships are the ones that will form the

¹ Ο Σι Ζινπίνγκ νέος ηγέτης του Κομμουνιστικού Κόμματος της Κίνας, Πηγή: ΑΠΕ-ΜΠΕ. *Το Βήμα*, 15/11/2012.

² Ζέτα Ζήκου: Η Κίνα με την πονηρή πένα του Κίσινγκερ, *Η Καθημερινή*, 17/11/12.

³ Το Κομμουνιστικό Κόμμα Κίνας εκλέγει τους νέους ηγέτες του, Πηγή: XINHUA, AFP. *Η Καθημερινή*, 13/11/2012.

⁴ Τσάβαλος Κωνσταντίνος: Ένας ρεφορμιστής στο θρόνο του Μάο, *Το Βήμα*, 18/11/12.

⁵ Barbara Demick: China's Communist Party wraps up congress with little sign of reform, *LA Times*, 14/11/2012.

⁶ Πουρτιζάκης Κωνσταντίνος: Ο νέος τιμονιέρης του Κινεζικού δράκου και το Σινικό Τείχος των μεταρρυθμίσεων, *Το Βήμα*, 20/11/2012.

international order in the years to come: war or peace will be defined by them. Furthermore, both Greek and International press are worried about China's secrecy.

The fact that its political figures and philosophy are not widely known creates uncertainty to the rest of the world, as it cannot know what to expect of China. Generally, *Xi Jinping is presented as a man of compromise by factions "reformist" and "conservative"*.⁷ *Despite that, In Washington, officials talk about three trends in China's foreign policy. The first (...) believes that there should be a constant compromise between doves and hawks. This trend is still going strong. The second believes that even a strong China has much to gain from the conflict with the United States. Support for this trend has subsided. The third trend considers that China has undergone many injustices and that the time has come to assert its position in world affairs. This trend has many supporters in the People's Liberation Army. What he believes Xi is also important. The few statements rather put him on the side of hawks. Nationalism runs in the blood of the party and the president is expected tomorrow to take a hard line on territorial disputes with Japan. But whether this will lead to conflict with the United States remains to be seen.*⁸

However, these changes are not expected to be completed immediately and rather slowly, as the Chinese Leaders have a plan reaching to 2015. Internal changes are crucial for the country in all areas; legal, social, economical aspects will undergo many alterations. The gap between the rich and the poor is big and the middle class should continue to exist otherwise China's internal economy will have the fate of the West⁹.

In addition, China seems to have a different view from the West on how economy should and how problems should be dealt. According to *Liberation*, China also seems to severely critique the way West deals with financial crisis and Bo Xilai, Zhang's predecessor, said that *"The capitalist countries, he said, solve their economic crisis by using two ways: by pushing their resolution of the crisis later or exporting their crisis to the rest of the world ... Fortunately, thanks to our theory of scientific development we will never reach this crisis."*¹⁰

The Chinese Leadership on a financial level

On this level China has two aims, according to both Greek and the International press. The first is to reform its society and middle class economy in such a way that the gap between the rich and the poor will not be so big. This would create a huge market inside the country that would actually consume its own products. Hence, production will not solely rely on exports in the West. China wants to create a more stable economy that will directly threaten USA. Therefore, the second aim is to claim the first place in the world's biggest economies and become a very recognizable power.

By strengthening internal economy, which in fact includes millions of new consumers, China will have a significant-and a new-market opening up. This will cause its economy to grow even more, as opposed to the West and especially Europe. *Robert Lawrence Kuhn, an American businessman who wrote an authorized biography of Jiang Zemin and remains close to senior officials, predicted Mr. Xi would surprise those expecting him to adhere to the status quo. The pressures on China to create a more sustainable economic system — one that relies less on investment in large projects and exports and more on domestic consumption and private business — will compel him to act soon. "The risks of not reforming are now higher than the risks of reforming," Mr. Kuhn said*¹¹.

China will play a very important and dynamic in the World order and changes in the International scene will be drastic, mostly because it has a different view from the West. The marks of these changes are already obvious. *The West understands that people who will be in the leadership of China by 2022 will claim more than the title of "first economy", which it will be so very soon. As it has become clear recently, mainly triggered by the attitude of the international community against the Arab Spring, Beijing not only has a different perception in shaping the world order, but it is now determined to promote in terms of 'power' of - still unclear to West - strategic interests. And maybe, in the case of Libya, the U.S., the EU and occasional allies have managed to circumvent the Chinese objections; however, they are well aware that they could do in the future, as well.*¹²

⁷ Xi Jinping, nouveau chef du Parti communiste chinois, *Liberation*, 15/11/ 2012.

⁸ Κίνα: Αμέσως μετά τις εκλογές στις ΗΠΑ η αλλαγή ηγεσίας, *Real*, 13/11/2012.

⁹ Καισαρίνης Μάρκος: Το πολιτικό σύνδρομο της Κίνας, *Το Βήμα*, 19/11/2012.

¹⁰ Philippe Grangereau : A Pékin, la clairvoyance du Parti en toute «transparence», *Liberation*, 12/11/2012.

¹¹ Edward Wong: Ending Congress, China Presents New Leadership Headed by Xi Jinping, *NY Times*, 14/11/ 2012.

¹² Περιμένοντας τον δράκο, *ΠΟΝΤΙΚΙ*, 8/11/2012.

Western economy is currently at a dead end in contrast with China, which is already trying to expand its economical activities. *Perhaps most striking example of 'caging' of the West as opposed to China is the role it had to play recently in the Euro zone crisis. Beijing has emerged as a major buyer of European debt (estimated at 25% of Chinese reserves are in euro), allowing the Euro zone to keep its head above ... water. At the same time, Beijing has acquired a powerful lever, which it shows ready to use whenever it seems necessary.*¹³

China's tendency has become obvious during the years of the crisis in the West, as mentioned above. *Chinese investment openings, both in Greece and elsewhere in Europe, with all that it implies in terms of Beijing's exposure to the crisis in Europe, it reflects perfectly the strategic ambitions of the emerging superpower. Perhaps, the global financial crisis resulted in the slowdown of Chinese growth - 7.8% in 2012 - mainly because they have reduced the exports to developed countries, but Beijing shows its determination to tackle the crisis as an opportunity. Besides the effort to reduce reliance on exports by strengthening domestic consumption, China is putting his hand in his pocket in order to occupy - at low prices - "key" positions that will serve as springboards for economic, as a first step - spread in the West and elsewhere.*¹⁴

Thus, China is expected to assist West in terms of tackling the crisis. This will be the case because West is the main export market for the country. *China should continue to stand up to the United States and Europe and to press its first export market, out of the debt crisis.*¹⁵ This will help towards becoming a huge global power, a place that used to be occupied by USA. Therefore, China's every move reveals its intentions both towards itself but also towards the rest of the world. *The Chinese cabinet said last month that it would provide a "reasonable" amount of credit in the fourth quarter to promote activity and speed construction of important projects. Since monetary policy was eased this year, credit supply has increased while inflation has stayed low, allowing Beijing to hold off on additional pro-growth measures.*¹⁶

Concluding, China is expected to draw international interest in the years to come. The West cannot but try to keep up with the new status quo. China and USA are the main axes around which the whole International order will evolve and the end of the current financial crisis will form different circumstances, globally. In the future it will become clearer if the relationships between China and USA but also with Europe, will be positive or if the Eastern and the Western differences cannot be bridged for mutual benefit.

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¹³ Περιμένοντας τον δράκο, *ΠΟΝΤΙΚΙ*, 8/11/2012.

¹⁴ Περιμένοντας τον δράκο, *ΠΟΝΤΙΚΙ*, 8/11/2012.

¹⁵ Xi Jinping, nouveau chef du Parti communiste chinois, *Liberation*, 15/11/ 2012.

¹⁶ Reuters: Pace of Lending Drops in China, *NY Times*, 12/11/2012.