

Chinese Futures: Horizon 2025

First meeting of the Task Force: China's Domestic Sphere

EUISS Conference room - 100, Avenue de Suffren, 75015 Paris
Thursday, 15 December 2016

Programme

09:30–10:00 Arrival/ welcome coffee

10:00–11:15 Session 1 Political Environment

China's next leadership transition is expected to take place in 2022 – not long after the target date for the first centenary goal of building a moderately well-off society. With no presumptive successor in sight, a third presidential term by Xi Jinping becomes an increasing possibility. This would redefine the elite power sharing agreement that has underwritten the stable rule of the CCP so far. If the two-term limit stands, any change in personnel would, in all probability, introduce the first members of the reform generation to the top echelon of China's leadership. The arrival of a new leadership generation would mean a break from Xi, whose socialization during the Cultural Revolution left a strong imprint on his policy. Formal adherence to the constitutional term limits for the presidency may be overshadowed by efforts of Xi to retain key levers of power as Chairman of the CMC and, possibly, General Secretary of the party. Any of these shifts, leaves greater leeway for the leadership, new or old, to define the party's ideological line - especially with the leadership generation of Jiang Zemin likely to pass on during this period.

Under these conditions, what are the expectations for the future of the CCP? How do the power concentration under President Xi, the CCP's anti-corruption campaign, the upcoming leadership transition, the future of the 'one country, two systems' approach, and the forces of nationalism affect regime support, people-party relations, and policy-making?

Kick-off remarks: Kerry Brown, Professor of Chinese Studies and Director of the Lau China Institute at King's College London

11:15–11:30 Coffee Break

11:30–12:45 Session 2 Social Challenges

China faces severe challenges in light of environmental degradation, water shortages, migration flows and questions about food safety, the quality of health care and the security of pensions. At the same time, China's social policy experiences exceeding pressure from a rising middle class that increasingly frames quality of life in non-materialistic terms. Can China succeed in building a social state with the capacity to address the social grievances of a rising middle class and the formidable challenges of a society that grows old before it gets rich?

CCP ideology has proven adept at adaptation to a constantly changing environment. Yet, reassertion of ideological control competes with rising levels of education and innovation. What future evolution captures these new societal trends? How does nationalism figure in the endeavour to contain these centrifugal forces? What role does China's rapid technological progress play as opportunity to further refine China's model of consultative/ populist authoritarianism and strengthen social cohesion? China has become the first party state with access to the means of vast information control. Modern ICT and online communication makes it easier to monitor and respond to popular discontent. But the same technologies also facilitate the targeted suppression of dissent. To what extent do technological dividends undermine China's socio-economic development, as they reinforce its eastern bias, leaving grievances in other parts of China to galvanize under the surface?

Kick-off remarks: Kristin Shi-Kupfer, Head of Programme, Politics, Society and the Media, MERICS

12:45–13:30 Informal lunch

13:30–14:45 Session 3 Economic Trajectory

The CCP's anti-corruption campaign not only reshaped China's political environment but also has had deeply-felt implications for the economy. Tightened disciplinary controls have produced opposing trends. The crackdown on graft has returned resource to efficient economic use. On the other hand, the measures have brought about a climate of uncertainty that threatens to stifle domestic innovation, on which China increasingly relies in its quest for sustained economic growth, as China hopes to climb the value chain and escape the debt trap. This atmosphere is reinforced by entrepreneurial restraint related to Xi's economic reforms, as investors watch, wait and see how they play out.

Reforms of state-owned enterprises attempt to engineer a delicate balance between vested interest and promoting growth and social stability. How will China's market orientation develop into the future? What are the challenges and changes ahead for China's industrial policy and the protection of intellectual property that arise from China's ambition to move up the value chain? What obstacles do political and cultural impediments to greater intellectual freedom and innovation pose for China's development into a modern service economy?

Kick-off remarks: Michal Makocki, Associate Analyst, EUISS; Visiting Academic Fellow, MERICS

14:45–15:00 Coffee Break

15:00–16:15 Session 4 Domestic Drivers of Foreign Policy

Long preoccupied with the internal dimension of national security, China has adopted an increasingly global perspective in the formulation of its security policy. As part of this evolution, the domestic and foreign policy nexus will undergo major transformations over the next decade. Historically, China has demonstrated willingness to negotiate its way out of international disagreements, when it felt weak internally. Conversely, China has acted assertively, when perceptions of its own strength prevailed. But the CCP's reliance on nationalism as a tool to check growing socioeconomic and political disparities and prevent internal instability has increasingly blurred this pattern. As China becomes more engaged internationally, the ideological forces of nationalism turn abroad. Under what circumstances does nationalism spill over into foreign policy and become a catalyst for conflict? What are the limits to the CCP's control over nationalism under these circumstances?

As a matter of policy and strategy, China's traditionally inward-looking interpretation of security lives on in the recently established National Security Commission. Yet, operationally, China's military modernization efforts shift away from the national focus on land warfare with heavy investments in the build-up of a blue-water navy and a fifth-generation aircraft fighter fleet. How do PLA force modernization efforts, the proliferation of transnational threats, and the growing strategic importance of the ungoverned realms of space and cyberspace shape China's security perspectives? Finally, the reliance on economic growth as source of political legitimacy and domestic stability has come with enormous demands for resources that threaten to undermine stability in other parts of the region and the world. As China's need for water and clean energy intensifies, so will its use of international rivers to meet these domestic demands. Can China balance these resource needs and successfully manage tensions with downstream countries over emerging water disputes? How does China contend with controversies about its growing economic and military footprint in Africa?

Kick-off remarks: Alice Ekman, Head of China Research, IFRI; Associate Analyst, EUISS