What Does the West Really Know About Xi's China?

Why Outsiders Struggle to Understand Beijing's Decision-Making

By Odd Arne Westad June 13, 2023



Chinese President Xi Jinping prepares to take an oath in Beijing, March 2023 Mark R. Cristino / Reuters

Figuring out how policy decisions are made in authoritarian regimes has always been hard. Winston Churchill famously referred to Soviet policymaking as "a riddle wrapped in a mystery inside an enigma"—and he was not much wrong. Observers in the West could see the policy output of the Soviet Union, be it under Joseph Stalin or Leonid Brezhnev, by what those leaders said publicly and how they acted. But it was not easy to figure out what was going on inside their regimes, because access to information was so limited and fear prevented insiders from communicating even what they thought outsiders ought to know. In spite of occasional intelligence breakthroughs, U.S. policymaking was severely handicapped by a lack of understanding of how policy was made on the other side.

A similar situation is now taking shape with regard to <u>China</u>. Insights into decision-making in Beijing are harder to get than they have been for 50 years. The main reason for this is that the Chinese Communist Party (CCP) is more authoritarian and less open than it has been at any point since Mao Zedong was in charge. People close to power are more fearful, and access to information is less widespread, even within the higher echelons of the regime. Outside observers therefore know much less than they did in decades past about how the party's leaders arrive at their conclusions with regard to foreign policy. People in China are not yet experiencing the degree of fear and secrecy that they did under Mao, but they are getting there.

The big issue for foreign policy analysts is to figure out what they can know with some certainty about Chinese decisionmaking and what they cannot. And in establishing this knowledge, they need to watch out for common analytic errors, including forms of "past dependency" and mirror imaging. The former relates to the belief that patterns of the past will somehow be repeated in the present. The latter assumes that all governments and all politics tend to function in the same way, although within different settings. Some U.S. presidents have assumed that Chinese leaders' view of the world will change very little and that they therefore will make decisions consistent with those of the past. Other U.S. leaders have tried to deal with their Chinese counterparts as if they were senators from the opposing political party or reluctant business partners. Such approaches have generally ended very badly.

POWER WITH A PURPOSE

What do analysts in the West know about the making of China's foreign policy under President <u>Xi Jinping</u>? They know that in China, as in all major countries, foreign policy is first and foremost a reflection of domestic priorities. Xi has spent his time in office attempting to destroy all internal bases of power except his own. He wants to centralize authority around the leadership of the CCP and wipe out party factions, provincial groups, and business tycoons who could stand in his way. Xi believes that he needs such powers for several interrelated reasons. He believes in authoritarian rule and is convinced that it is a superior form of government to democracy. He concluded, early in his tenure, that his predecessors had been weak and that their weakness had given rise to domestic chaos and corruption, as well as to an unwillingness to stand up for China's interests abroad. And he sees China under his rule as having entered a triumphant new era, the successes of which have so alarmed the West, and the United States in particular, that these countries, who are by nature inimical to China, will do anything to prevent China's continued rise.

The United States has given CCP leaders many reasons to fear U.S. power and distrust U.S. intentions. But it is unlikely that such actions, however ill advised, have made Xi an authoritarian set on profoundly changing his country's development path. Xi surveyed China's road through the reform era since the 1970s and saw much that he did not like, especially the economic, geographic, and institutional dispersal of power. He did not, of course, deplore China's remarkable economic growth, but he wanted that growth to serve a purpose beyond merely making some people rich. Xi's aim for the past decade has been the promulgation of such a purpose, which he believes lies in recentralization, the consolidation of party power, and confrontation with the United States. All of his key initiatives, such as Belt and Road, the China Dream, and Socialism with Chinese Characteristics for a New Era, have been made to serve this aim.

How well Xi's purpose coincides with the views of the CCP elite, never mind the population as a whole, is very hard to tell. There is little doubt that his concerns about corruption and lax governance were shared by many Chinese in the early 2010s. The contempt with which newly rich Chinese treated officials and ordinary people alike was bound to create resentment and bitterness. The image of "Xi Dada" (roughly meaning "big daddy Xi") as a people's emperor who punished corruption and humbled haughty business leaders was a genuinely popular one, at least for a while. It was not until Xi grossly overreacted to the <u>COVID-19</u> pandemic that the public began to ask tougher questions about his intentions. By then, however, it was much too late; Xi had consolidated his power within the CCP, and the party had extended its reach into society more deeply than at any point since the Mao era. Repression and surveillance are now everywhere, although few expect a return to the labor camps and mass executions of the 1950s and 1960s. But current conditions are a far cry from the relatively liberal era that stretched from Mao's death in 1976 until Xi's rise.

BEIJING'S WHO'S WHO

The reason why Xi could undertake his wholesale reevaluation of policies and the setting of new purposes without any form of discussion, except at the highest levels of the CCP, is indicative of the almost total lack of political pluralism in China and the lack of democracy within the party. Xi, by virtue of being the general secretary of the CCP, has unlimited power over the party's organization because of the principle of "democratic centralism" inherited from Lenin and Stalin, via Mao. When a decision has been taken at the party center—in theory by the CCP Central Committee but in reality by Xi and his tight-knit entourage—party members at all levels have one task: obeying directives and carrying them out. In the 1990s and the first decade of this century, CCP officials claimed that there was no need to change these structures, because more liberal practices were so entrenched among the party faithful. They did not realize, or refused to reflect on, the obvious fact that a general secretary could use the full powers of that position to eradicate any trace of liberalism within the party. Xi's style of decision-making is one of the consequences of this failure of imagination.

For much of the past 40 years, CCP leaders have wanted to even out the power of the party apparatus with that of government institutions, which—at least in theoryrepresented the whole country, including the 93 percent of the population who are not members of the CCP. The party has always been the center of power. But diversifying the ways in which ordinary people encountered the state helped create a sense of equity and balance. It also increased the party's legitimacy. Outsiders could be made to believe that the CCP was almost like a typical political party in power rather than a revolutionary organization that conquered the country by force. CCP leaders have often presented themselves in public not solely as party figures but also as government officials. And CCP political theorists began discussing a more limited and clearly defined role for the party within the Chinese system of government, including experiments with political participation at the grassroots and straw polls for lower-level leadership positions.

Xi has reversed all of this. Now, party institutions and CCP Central Committee commissions take precedence over those representing the government. A number of top-level councils on economic policy, planning, and military and strategic affairs have changed from primarily serving the State Council, China's central government, to working almost exclusively for the CCP Politburo. The Central Military Commission, which directs all of China's armed forces, has always been headed by the party's most senior leader. But now it is openly referred to as the "Central Military Commission of the Communist Party of China" much more often than the "Central Military Commission of the People's Republic of China." Sometimes, the earlier government-style naming conventions are kept for external use. The Cyberspace Administration of China, a government institution, is in reality the "Central Cyberspace Affairs Commission of the CCP." And the Taiwan and Hong Kong offices of the State Council are identical to the CCP Secretariat's "work offices" dealing with the same regions.

Party leaders lay bare a striking combination of hubris and fear.

This trend toward emphasizing party power is perhaps most visible on national <u>security</u> issues. Under Xi, the CCP's Central National Security Commission has become the key institution for all foreign and security problems, often presenting the Politburo with ready-made proposals for decisions. In some cases, the commission proposes policies directly to Xi, through the general secretary's office, without going through the Politburo. Although other central party commissions dealing with international issues have kept some of their influence, they are now clearly subordinate to the commission on day-to-day issues. The Central Foreign Affairs Commission, headed by a former foreign minister and current Politburo member, Wang Yi, mainly deals with foreign policy at the strategic level and does not meet, even at the deputies level, with anything like the frequency of the security commission.

The new prominence of the party's Central National Security Commission (CNSC) is, in part, a response to what has been a complicated and confused list of government and party institutions that contribute to the making of China's <u>foreign</u> <u>policy</u>. Beijing insiders still list 18 or 19 different organizations that, at least on paper, have the right to propose policies to the Politburo (with the Foreign Ministry halfway down that list in terms of influence). But although some centralization may have been unavoidable, this is centralization with Xi's characteristics. The purpose seems to be to make all other national security bureaucracies subservient to one commission, through which Xi can exercise his power.

Knowing who serves on the CNSC is therefore of utmost importance for understanding China's foreign-policy making. The full composition of the commission and its key staffers is secret. But a partial picture is available. The commission is, unsurprisingly, chaired by Xi, with Premier Li Qiang and National People's Congress Chair Zhao Leji as his deputies. The fourth-ranked CCP leader, Wang Huning, is also a member, and, according to sources in Beijing, Wang—who started out as a foreign affairs expert—is perhaps the most influential presence after Xi himself. Cai Qi, Xi's chief of staff, who has served on the CNSC since its inception, coordinates its day-to-day work, assisted by his deputy Liu Haixing. Liu is the son of Liu Shuqing, a diplomat and intelligence officer who set up the CNSC's predecessor organization in the 1990s. Liu Jianchao, director of the CCP's International Liaison Department, and his deputy Guo Yezhou are influential members, since their department has supplied many of the commission's staffers. Under Xi, Politburo members Wang Yi, Chen Wenqing, and General Zhang Youxia serve on the commission as, respectively, the senior foreign affairs, state security and intelligence, and military leaders. Even though they rank below the most important authorities in their fields, Foreign Minister Qin Gang and Defense Minister Li Shangfu are known to have Xi's ear, and they may have more influence on the CNSC than their predecessors did when they held these offices. Interestingly, in terms of priorities, Qin's expertise is in how to present China's foreign policy abroad. And Li, an aerospace engineer by training, has a career dealing with space and cyber issues.

IT'S XI'S WORLD

Xi has adopted a much broader concept of national security than his predecessors. The CNSC has working groups on nuclear security, cybersecurity, and biosecurity. But it also has subgroups setting policy for internal security and <u>terrorist</u> threats. Its new fields of concentration are what it calls "ideological security" and "identity security." Ideological security refers to the CCP leaders' fear of what they see as U.S.-instigated "color revolutions" in other countries. Identity security is much broader. It includes how to build a patriotic image of the CCP and how to get Chinese people to equate criticism of the CCP to criticism of China and of the Chinese nation. National security, in other words, is as much about domestic politics as it is about international affairs and as much about the hearts and minds of the Chinese people as about military preparedness and new types of weapons.

There is little doubt that Xi uses the extended national concept, just as he has used his anticorruption campaign, to control what other party leaders say and do. He has often issued thinly veiled criticisms of former leaders, including Deng Xiaoping and other early reformers, for not doing enough to make China secure and for not standing up for China's interests. The message, so clear in Xi's unprecedented election to a third term as general secretary, is that only Xi can defeat the threats that China and the CCP face. In seeing security threats everywhere, party leaders lay bare a striking combination of hubris and fear. Although they believe that the future belongs to them, they are afraid of domestic subversion. Xi's aggressive and confrontational style suits this dilemma perfectly. Xi has become the guarantor of security for the CCP but also for many Chinese who see the outside world as threatening. Most officials are trying to adopt his style and work toward what they understand—not always clearly—as his aims.

Xi's own biggest fear must be that he is chairing his country's emerging decline.

Words matter in Chinese politics. The extraordinary emphasis on Xi's personal role, unseen since the godlike worship of Mao, reveals not only the extent of his power but also the degree to which the party clings to his leadership. When the CCP gushes about "the status of Comrade Xi Jinping as the core of the party's Central Committee and of the whole party" or about "the guiding role of Xi Jinping Thought," it exposes some of its own uncertainty and insecurity. Today, even economic growth is less important than party power. For instance, controlling big companies is necessary even if it leads to them being less productive and profitable. No wonder some Chinese business leaders have started seeing the reform era as a gigantic scam patterned on Lenin's New Economic Policy in the Soviet Union: to them, it seems that the party allowed business to create wealth just in order to confiscate it. Many wealthy people want to get out of China, at least for now.

Xi's own biggest fear must be that, rather than presiding over China's inevitable rise, he is chairing his country's emerging decline. The economy is not doing well under the triple whammy of unnecessary and unpredictable government intervention, COVID-19 aftereffects, and declining rates of investment, both domestic and foreign. Meanwhile, the CCP has helped provoke severe diplomatic conflicts with all of China's main markets in Australia, Japan, Europe, and North America. And the country is facing demographic decline at a scale and speed never seen before in the modern era. All of this must make Xi fear that instead of being a twenty-firstcentury Stalin or Mao, he may end up instead as China's Brezhnev, catalyzing the gradual erosion of the values he holds dear.

Observers can see only the outward contours of Xi's mindset. Much else is unknowable. For instance, it is impossible to tell how certain Xi is in his estimates of international politics. Outsiders do not know for sure how much influence the military and the intelligence services have on China's foreign policy. Many in the West assume that the aggressive style of Beijing's diplomats comes from a need to show off China's newfound strength and purpose as well as the superiority of Xi's leadership. But it remains unclear how important extreme nationalism is to this style, and therefore whether it will necessarily be a lasting element in Chinese decision-making. And most important for U.S. policy, analysts in the West do not know Xi's timeline for his ostensible goals, such as <u>absorbing Taiwan</u> or attaining military preponderance in eastern Asia and the western Pacific.

Xi is reportedly fond of quoting two of Mao's most famous sayings, both found in the Little Red Book. "All views that overestimate the strength of the enemy and underestimate the strength of the people are wrong," goes the first one. The second quote is even clearer. "There are two winds in the world today, the east wind and the west wind," Mao told the Soviets in 1957. "Either the east wind prevails over the west wind or the west wind prevails over the east wind. It is characteristic of the situation today, I believe, that the east wind is prevailing over the west wind." Xi seems to agree. But he apparently needs a vast army of weathermen to tell him exactly which way the wind is blowing.