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The 19th CCP Congress will boost strongman politics and narrow China's developmental options

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MAIN FINDINGS AND CONCLUSIONS

- **The 19th Party Congress of the Chinese Communist Party (CCP), planned for late autumn this year, has great political significance:** it will not only return Xi Jinping for a second term as general secretary, it will also reveal whether the party has selected a "successor-in-training" who might take over from Xi in 2022.

- **At the 18th Party Congress in 2012, the party elite authorized Xi to centralize political decision making and enforce organizational discipline across the CCP.** If Xi is successful in placing only trusted allies in the Politburo at the upcoming congress, it would be a strong indicator of his grip on power being so tight that he no longer requires the consent of the party elite.

- **Xi's ambitious initiatives and campaigns are also his Achilles' heel.** Despite the absence of organized intra-party opposition, there are clear indicators that his political course is not yet beyond contestation. Evasive strategies from within the state apparatus are still present. He must deliver on the stipulated goals to strengthen the CCP as an organization as well as China's economy. A series of policy failures could trigger internal and perhaps even open criticism of Xi's leadership style and political course.

- **The political report to be presented by Xi at the party congress is the political manifesto of the CCP.** Its content will allow conclusions to be drawn on whether Xi has broad-based support among the party elite. If he obtains full endorsement, then his political projects like strict ideological control, the exploitation of information technologies to strengthen party control over the country and a more assertive approach in foreign policy will feature prominently in the report.

- **The "Belt and Road Initiative" (BRI, 一带一路) has become Xi's signature project to establish China as an increasingly visible global power. A full endorsement of an ambitious foreign policy agenda at the party congress is not a foregone conclusion.** In his second term, Xi might even have to apply the brakes to his international ambitions and turn his attention towards more pressing issues at home.

- **Party congress delegates will also have to decide on amendments to the party constitution.** Xi's ideological and political authority would be boosted further, if formulas such as "Xi Jinping Thought" or "Xi Jinping Theory" were incorporated in the party constitution.

Fan of power

The Politburo brings together the key figures of party, state and military in China

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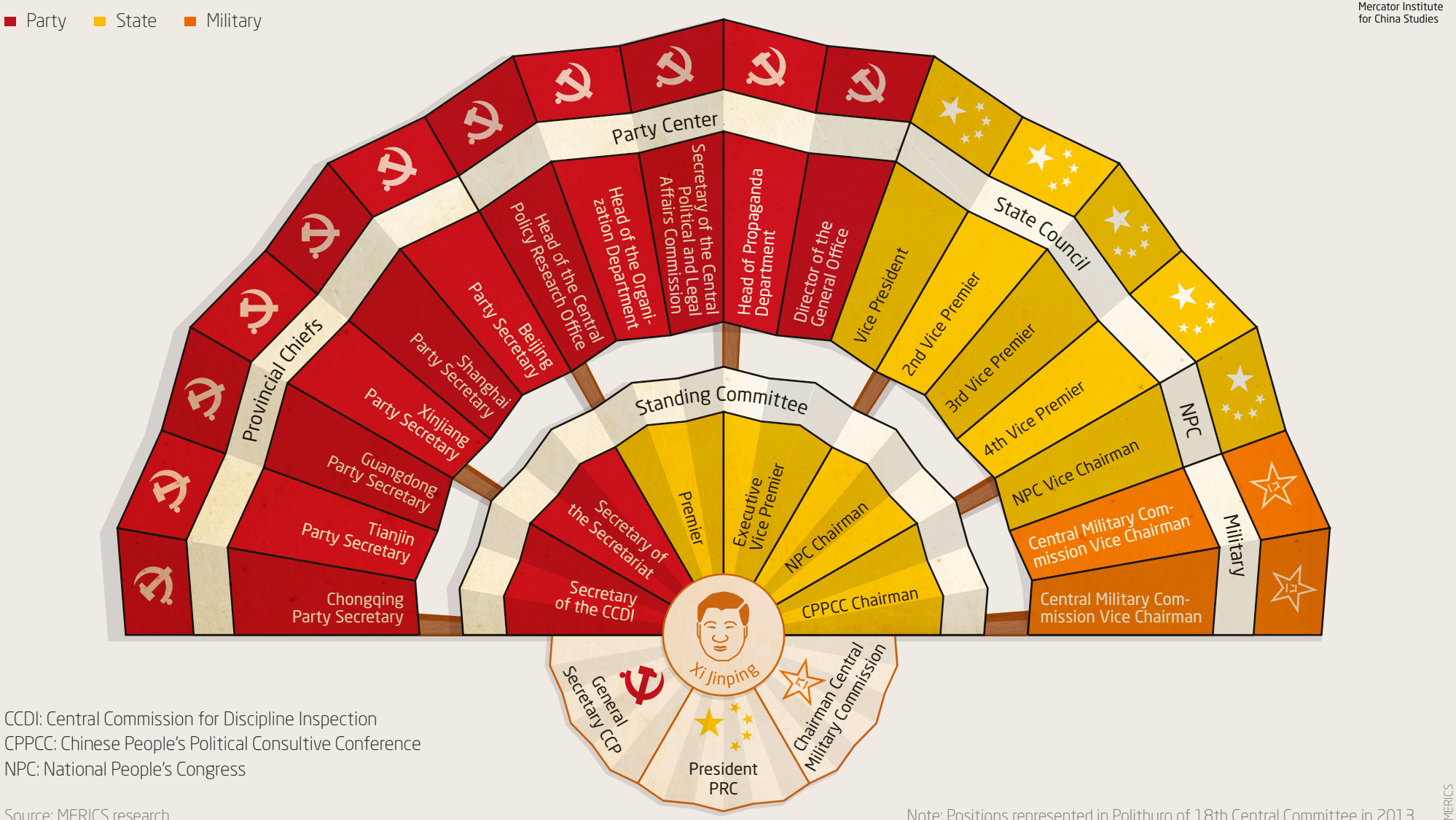

CCDI: Central Commission for Discipline Inspection
CPPCC: Chinese People's Political Consultive Conference
NPC: National People's Congress

Source: MERICS research

Note: Positions represented in Politburo of 18th Central Committee in 2013

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1. Introduction

The decisions presented at the 19th Party Congress will define China's future path. When meeting in Beijing in late autumn 2017, the 2,300 delegates will have to fulfill two key tasks: they will endorse the political report comprising the CCP's strategic goals for the time until 2022, and they will elect a new Central Committee. More importantly for power politics at the center, the composition of the Politburo Standing Committee will change as a result of the party congress and a "successor-in-training" might be elevated to a top position so as to take over from Xi in 2022.

The party congress thus will be an occasion at which to assess the state of China's political system. On the eve of the most important event in China's five-year political calendar, Xi seems to stand at the height of his power. But how far does this power reach? The upcoming personnel decisions during and in the wake of the party congress and the content of the political report will provide hints concerning the real extent of Xi's power and his ability to shape China's political agenda for the next five years and beyond.

2. "Top-level design" by mandate: the mixed outcome of power concentration

There are strong indications that Xi Jinping's consolidation of power is close to complete. He appears to be the undisputed and unchallenged leader of the CCP. His rapid power consolidation owes much to the 18th Party Congress of November 2012. Back then, a collective decision was taken to strengthen the position of the general secretary and to reduce the powers of the State Council (central government apparatus) and the provinces in order to concentrate authority in the party center. The party elites at the time were determined to halt the decay of organizational discipline among party cadres.[1] Accordingly, they agreed to enable the new general secretary to restore the decisiveness of the party, and to address the breakdown of hierarchies that had been visible before. The party leadership believed that a strong party center was best positioned to cut through vested interests and push through tough reforms.[2] The military is a case-in-point: plans for restructuring the People's Liberation Army (PLA) had existed since the 1990s, yet none of Xi's predecessors had managed to put them into practice.

After the 18th Party Congress, decision-making power in key policy areas shifted from State Council ministries to newly established Central Leading Small Groups (CLSGs) and commissions, the majority of which were headed by Xi Jinping. For instance, the "Central Leading Small Group for Comprehensively Deepening Reforms," established in early 2014, has become the key decision-making body for putting into practice the ambitious reform agenda that was decided upon at the third plenary session of the 18th Central Committee in 2013.[3] The "National Security Commission" coordinates a broad scope of issues related to national security. Cyberspace strategy is worked out by the "Central Leading Small Group for Cybersecurity and Informatization." Recently, the "Commission on Military-Civilian Integration" was established. Executive Vice Premier Zhang Gaoli was appointed director of the permanent office of this new commission to demonstrate the high priority the leadership attaches to this field.[4] Traditionally, CLSGs were tasked with defining broad strategies (e.g. long-term development goals) and coordinating policy on narrowly defined issues (e.g. poverty alleviation), but now they get involved in decision making and the supervision of individual top-priority policies.

Xi Jinping has managed to centralize power and push through the agenda outlined in the political report of the 2012 party congress, which attests to his extraordinary political prowess. Five years into his tenure, Xi controls the most important levers of power in China's political system. He has executed China's most fundamental military reforms in decades and has become the face of China's increasingly assertive foreign policy. He dominates China's news, stars in propaganda cartoons and is even featured in rap songs. From the party center's point of view, Xi is the right man at the right time. He identifies strongly with the overarching goal of revitalizing the party's belief in itself and the country's belief in the party's right to rule.[5] Stressing his achievements, the party elites decided to label Xi the "core" of the Central Committee (以习近平同志为核心的党中央) at the 6th Plenary Session of the 18th Central Committee in October 2016.[6] The move was also aimed at further strengthening his position and at giving him more leeway in carrying out his policies.

Heading to the 19th Party Congress, Xi seems to be at the height of his power

Xi did not only use his mandate to restructure decision-making processes: he also headed three rigorous campaigns, focusing on the fight against corruption, the systematic persecution of dissent, and an intensified ideological indoctrination. Taken together, these campaigns have reasserted the authority of the party throughout the hierarchy and have boosted Xi Jinping's power. Looking back at the 18th congress, the party appears to be more united, disciplined and self-assured than it was in 2012. Heading to the 19th Party Congress, Xi seems to be at the height of his power. He is in pole position to decisively shape the agenda of the

Party Congress as well as the selection process for top cadre positions. He might even see his name enshrined in the CCP constitution as one of the "great thinkers of socialism."

Nevertheless, Xi's leadership style has its downsides and a number of his initiatives remain contested. Power consolidation and centrally controlled campaigns come with a hefty price tag: the local dynamism that once created the Chinese economic miracle has stagnated. Chinese data on policy innovation point to a sharp decline in the number of local pilot projects after 2012.[7] This lack of appetite for experimentation results from an atmosphere of fear among officials who are increasingly afraid of being accused of corruption. The party has recognized the problem and urges cadres to be proactive in implementing policy decisions. In March 2017, Premier Li Keqiang criticized the "laziness" and "passivity" of local officials, describing this as a "sort of corruption."[8] Following his speech, several cities began to issue guidelines to identify and punish "lazy" cadres.[9] In May, Tianjin Municipality demoted a prominent high-level official for neglecting his duties.

Increasing the pressure on cadres has not rekindled their experimental spirit: in effect, China's political system has lost essential preconditions for bottom-up initiatives and local problem-solving capacities to absorb sudden domestic or external shocks, should these shocks exceed or undermine the control of the party center. Further constraining the discretionary power of local governments through constant supervision and punishments will not help to overcome local paralysis. In the meantime, pressing issues remain unresolved: local government debt is rising, the reforms of state-owned enterprises (SOEs) are stagnating, overcapacities in the coal and steel industries are mounting. According to articles in party-state media and think tank reports, the lack of coordination among State Council organs and local governments' inactivity are to blame for this accumulation of economic challenges.[10]

Ultimately, the party congress will provide us with more information on the remaining constraints to Xi's power and on the residual influence of party elders such as Jiang Zemin. The composition of the new Politburo will be a first indicator of Xi's power over personnel decisions within the party: will all vacant seats be filled with loyal Xi followers or will we see surprising personnel decisions suggesting that other forces are still in the game? Additionally, changes to the composition and focus of the political report could provide information on whether Xi's political course in his first term and ideas for the second are fully endorsed.

3. The rules of leadership selection: nothing is written in stone

At the 19th Party Congress, the congress delegates will elect the members of the new Central Committee – both full and alternate members. They will also endorse the final list of nominees for positions in the Politburo. Shortly after the congress the 19th Central Committee will convene its first plenary session and elect a new Politburo and a new Politburo Standing Committee (PBSC).[11] There is much speculation surrounding the composition of this most powerful body of the CCP and the candidates for "successors-in-training" who might replace Xi in 2022. With regard to previous party congresses, scholars have highlighted the role of power balancing between different party factions as an explanatory factor for certain appointments.[12] Due to the current display of unity, factional considerations might play no major role in deciding on the top personnel at the upcoming gathering.

Factional considerations might play no major role in deciding on the top personnel at the upcoming gathering

Another focus is precedence and established institutions. Concerning the general rules for promotion of cadres within the party, a major change introduced in Xi's first term might have implications for the selection of top leadership candidates at the congress. In 2007, party-state media reported on a high-level meeting in which candidates for the Politburo of the 17th Central Committee were preselected. According to the report, Xi's predecessor Hu Jintao presided over a meeting of 400 senior party members. At the meeting, a shortlist of candidates was composed using the principle of so-called "democratic recommendation" (民主推荐). This principle stipulates that the party base should name suitable candidates for vacant positions. However, in 2014, the party revised this centerpiece of the promotion system by restricting the scope for open selection and playing down the role of "democratic recommendation."

Nowadays, the party leadership makes the first move by presenting a list of its preferred candidates. Furthermore, the rules for exceptional promotion in the revised regulations provide the general secretary with additional freedom to place loyal followers in leading positions at the central and provincial levels.[13] The recent appointment of Xi's close associate Cai Qi as Beijing's party secretary is a clear example of Xi trying to get his allies in place before the party congress even starts. Although Cai Qi is not even an alternate member of the 18th Central Committee, it has now become very likely that he will be appointed to the Politburo at

the upcoming congress because Beijing's party secretary has always been elected to the decision-making body. Thus, Xi has already overwritten the norm that prospective Politburo members are chosen from the pool of incumbent members of the Central Committee.

In theory, there are criteria that define how many seats will be vacated in the Politburo and its Standing Committee. A retirement rule sets an age limit of 68 for members of the Politburo, but the rule is not absolute. The total numbers of seats in both bodies have been changed several times since the 14th Party Congress. If the current parameters remain unchanged, 11 out of the 25 seats in the Politburo and five out of the seven seats in the PBSC would be up for grabs at this year's congress. However, there is no information available on whether the existing rules might be changed or whether such amendments require a specific procedure or quorum within the CCP. There is even speculation that Xi might weaken the PBSC's role or abolish it altogether.[14]

Whether we will see similar changes to the pool of candidates when it comes to a successor-in-training for Xi Jinping is still unknown. In the past, candidates for the Politburo Standing Committee were exclusively chosen from Politburo members, with the exception of the successor-in-training positions for the general secretary and the premier. According to precedent, the heir apparent for the position of general secretary must fulfill three criteria: he must be a member of the outgoing Central Committee, he must have served as a provincial party secretary and he must be younger than 58 when chosen for the position. According to these criteria, as of mid-July 2017, three individuals would qualify to become successors-in-training for Xi (see table 1).

However, the pool of candidates might turn out to be larger and at the same time promising candidates might fall by the wayside. New names might be added to the list due to last minute promotions only months or weeks prior to the congress, or one of the criteria mentioned above might no longer apply.

As for individual candidates, the fall of Sun Zhengcai, Politburo member and party secretary of Chongqing in mid-July is a telling example: tipped to be one of the key figures of the 6th leadership generation, Sun was removed from his official party position on July 16.[15] In any event, the candidates promoted to the Politburo will not be officially introduced as heirs apparent, nor can they be sure of attaining the top job in 2022. The final contestant would acquire key positions that would confirm his position as heir apparent on a gradual basis: as a first step, the National People's Congress would elect him vice-president in March 2018 and he would be made vice-chairman of the Central Military Commission within the following two years.

The choice of members for the new PBSC will provide hints as to how Xi imagines his political future: should no candidate born in or after 1959 be chosen, it would indicate that Xi intends to carry on after his second term.[16] Xi going for a third term after 2022 would be a highly unusual step and would break with the established rules of leadership succession, even calling into question the principle of the collective leadership of the CCP.

Still, even if an heir apparent was groomed for succeeding Xi and even if this candidate actually took over in 2022, it still would not guarantee Xi's withdrawal from politics. Xi might follow the example of Jiang Zemin and other predecessors and retain key positions such as Chairman of the Central Military Commission, perhaps even for years after officially stepping down from party leadership. Equally, he might follow in the footsteps of Deng by resigning from all official positions and directing policy decisions from behind the scenes. Xi could also go his own way and cement his platform in the party center by placing loyal followers in key positions. If this strategy proves successful, decisions on key personnel and shifts in the political agenda of the party would remain solely his prerogative even after retiring from all official positions.

Table 1: Candidates for "successor-in-training"

Name	Province	Specialization	Birth date / Age at Party Congress	Alma Mater	Position in party
Chen Min'er	Guizhou	Propaganda expert	Sep '60/57	Central Party School	CC member
Hu Chunhua	Guangdong	Experienced party manager and economic reformer	Apr '63/54	Peking University	Politburo
Zhang Qingwei	Heilongjiang	Strong background in aeronautics sector, proven track record as provincial governor and party secretary	Nov '61/56	Northwestern Polytechnical University	CC member

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4. Political report: manifesto for the longer term

A focal point of the party congress is the political report, one of the most underappreciated documents among Western observers of Chinese politics. Xi Jinping will deliver the political report at the party congress. It will provide insights concerning the priorities of his second term, as well as an evaluation of the CCP's work over the last five years. The reports reflect a basic consensus of the party elite, rallying rank and file behind a common agenda. Drafting the report is a collective process taking nearly one year. Under the supervision of the general secretary of the CCP, thousands of cadres are involved: at the central and provincial level, in party and government organizations, in civilian and military institutions.

A systematic review of the content and structure of the political reports of the last five party congresses shows how the text has grown historically.[17] The report provides a narrative for the process to reform the socio-economic structures of the country and for how to turn China into a powerful nation. It is a political manifesto rather than a blueprint for launching specific policies. The titles of the reports are in that regard quite telling. The goal of the CCP leadership to establish "Socialism with Chinese Characteristics" features heavily in all of them. The ultimate goal is to establish a system that is superior to other political, economic and societal orders. Radical shifts or even the deletion of whole sections of the text are unlikely. Paragraphs on certain issues have remained largely identical over the years. Others have changed depending on the key work areas of the respective general secretary and his administration. Thus, new concepts or sections are added relating to the pressing issues of the day (see table 2).

For instance, in 2002, after the East Asian economic and financial crisis had laid bare the vulnerability of development models focusing one-sidedly on economic growth, a separate section was added that was devoted to the goal of establishing a "moderately prosperous society." The Chinese leadership had recognized that income inequality was becoming a major issue and started exploring public social policy programs. In 2007, under the direction of Hu Jintao, social management and people's livelihoods were addressed in a newly added section. The administration saw the need to expand the social security system in times of an ageing society. At the same time, the leadership followed a social engineering perspective on how to improve and guide Chinese society at large.[18] The increase in public protests and critical media coverage on environmental pollution led to the creation of a separate, new section on the necessity of ecological progress at the 18th Party Congress in 2012.

The CCP continually searches for ways to display the continuity and cohesiveness of its political agenda. Another telling example is the so-called "Five-in-one strategy" (五位一体) introduced at the 2012 congress. This strategy identified progress in five issue areas as essential for establishing "Socialism with Chinese Characteristics." Starting with a focus on economic and cultural progress at the 12th Party Congress in 1992, sections on political and legal progress were gradually added to the reports. Xi might add another issue he considers vital: foreign policy. Under his rule, China has strengthened its efforts to become an influential global player both economically and politically.

Furthermore, there is growing evidence that an ideological framework attributed exclusively to Xi Jinping – possibly dubbed "Xi Jinping thought" (习近平思想) – might have a very prominent place either in the report or in the party constitution. The CCP has already compiled various publications to offer a "collection of Xi Jinping's speeches" (习近平系列讲话).[19] This step, if agreed upon

Table 2: Political reports are party manifestos

New sections are added to deal with pressing issues of the day

Source: MERICS research

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by the party Congress and those involved in the drafting, would earn Xi the title of "great thinker of socialism" within his own lifetime and would put his political course beyond contestation.

5. Priorities for Xi's second term

In his first term Xi has proved decisive in producing visible policy results. Xi pushed forward on a number of initiatives that were announced in the report to the 18th Party Congress, such as the anti-corruption campaign. On the one hand, Xi continued some of the projects launched by his predecessors to achieve longstanding party goals. On the other hand, he started expansive initiatives in the field of foreign policy, especially through the "Belt and Road Initiative" (BRI, 一带一路). Xi has also put the goal of making the CCP fit for the digital age at the center of his political strategy. Newly issued comprehensive plans such as "Made in China 2025"[20] or "Healthy China 2030,"[21] and the establishment of a comprehensive "Social Credit System" (assigning companies, individuals and government units with a trustworthiness score) bear witness to his belief in the benefits of digitization. Xi and his lieutenants aim at aligning development strategies in all policy areas with IT applications. They want the CCP to become the vanguard in exploiting big data-enabled IT solutions to achieve its political mission, by combining the party's Leninist organizational features with novel digital instruments of coordination and surveillance in a new type "Digital Leninism" for the 21st century.[22]

Against this background, what can we expect for Xi's second term? At the 19th Party Congress, the party elites will discuss and eventually approve the political report that includes Xi's agenda for the next five years. But what policy priorities will be found in the report? With the year 2021 marking the CCP's 100th birthday, Xi will need to deliver on his promise of creating a "moderately prosperous society" in China. At the same time, Xi is working on his legacy as a leading politician: one key question in this regard will be how prominently his own initiatives are featured in the report.

At the same time, Xi has to deal with issues that are generating discontent among Chinese entrepreneurs, the populace or even bureaucrats. Among those problematic issues are the questions of ownership rights and preferential treatment of SOEs in the Chinese economy. The political report will very likely hint at corrections to the political course on these matters. Some issues have broader implications for the future of the party and China as a whole:

IDEOLOGY: CONTROLLING HEARTS AND MINDS IN AN INCREASINGLY INDIVIDUALISTIC SOCIETY

In times of stagnating economic growth, the CCP needs more than ever to tap an alternative source of legitimacy for the party's rule. The CCP under Xi has engaged in a coordinated effort – unprecedented in size and scale since 1978 – to limit the impact of "Western" ideas while simultaneously redoubling efforts to create a unifying ideological canon.

Xi's intensified endeavors to propagate a unified ideology reach far beyond the CCP organs. Under his supervision, various party-state media outlets have, with the help of PR companies, stepped up efforts to communicate concepts such as "socialist core values" to the greater public, targeting especially the younger generation and also foreigners with infographics, rap songs and videos. More comprehensive instruments to control countervailing influences have been deployed. All types of media, especially online platforms and social media, have been the targets of tightening regulations concerning the spread of "negative energy," meaning not only liberal political ideas, but also "vulgarism," a lavish lifestyle focusing on wealth and fame.

Progress in reaching and influencing the masses remains limited. Schools and universities have a special role in disseminating thoughts and ideas. Unsurprisingly, the Central Commission for Discipline Inspection recently even went so far as to criticize top universities for their "ideological laxity."[23] Part of the initiative to suffocate dissenting views at universities was the establishment of the National Textbook Commission (国家教材委员会) in July 2017. The new commission will assess the appropriateness of the content of (especially foreign) textbooks and approve new courses.[24] Despite the scattered criticisms of the increased control that individual party intellectuals have over party-state media,[25] the political report will stress the need to focus more on ideological training. As a result, there will be less space for international cooperation, for instance in the education sector and so-called people-to-people exchange formats.

In times of stagnating economic growth, the CCP needs more than ever to tap an alternative source of legitimacy for the party's rule

PARTY ORGANIZATION: STRENGTHENING THE CCP'S UBIQUITOUS PRESENCE

The essential part of Xi's strategy to reassert the leading role of the CCP within China is to strengthen and expand the reach of party organizational structures. Already in his first term the number of new party structures established in non-governmental units and private enterprises rose significantly.[26] The party

is continuing its efforts to reach out and co-opt private economic and societal actors. The party wants to place loyal followers in all types of organizations and thereby gain leverage to influence strategic or personnel decisions. Opposition to these measures is mounting, not only in joint ventures but also in Chinese-owned private enterprises. There are even party cadres critical of this approach. Nonetheless, a full endorsement of this strategy is likely to be part of the political report.

SOCIETY: FIGHTING POVERTY AND DEALING WITH PRESSING ISSUES

Concerning societal development, 2021 is a key date for the party leadership. It has promised to deliver on the first centenary goal – to establish a moderately prosperous society – by that time. The 13th Five-Year Plan contains commitments to double the income levels of 2010 by 2020 and to abolish poverty.[27] But Xi wants to go beyond just improving people's livelihoods. He aims to create what the party propaganda has coined a "civilized society" and to develop instruments to better steer and monitor society. By introducing a "Social Credit System" (SCS) that rates individuals and economic entities, the party wants to enforce compliant and lawful behavior.[28] It is not clear whether the system will be accepted: recent scandals concerning leaks of personal information[29] might lead to a growing awareness among Chinese citizens of the importance of data protection, or even opposition to the massive collection of data by the government and private companies.

For the time being, citizens expect the party to deliver on two pressing issues: safeguarding their wealth and successfully fighting pollution. It is these two issues that have most potential to cause major unrest. The report will therefore most likely feature the need to provide more clarity in respect of property rights. Yet it will fall short in providing a solution to the problem of how to combine individual property rights with the idea of socialism in the 21st century.

ECONOMY: INNOVATION-DRIVEN DEVELOPMENT

In 2014, Xi for the first time used the term "New Normal" (新常态) prominently in a speech. The term was coined to frame the lower growth rates of the Chinese economy in a positive way. Another catchphrase in party documents describing recent characteristics of economic reform is the term "innovation-driven development" (创新驱动发展): China is to climb up the value chain and become a powerful manufacturing country. The section on economic reform in the report will stress the need for a fast transition to a new growth model, a further boost to the service sector and the digitization of manufacturing. It will also offer insights on future rounds of reforms of state-owned enterprises that have so far proven relatively unsuccessful. For outside observers, especially in Europe and North America, this section might offer clues about the standing of the party elite on two issues: the overseas investment of Chinese companies and market access for foreign companies in China.

FOREIGN POLICY: ADVANCING CHINA'S GLOBAL REACH

Xi Jinping has spent far more time on travel abroad and has paid more attention to China's global agenda than his predecessors. The "Belt and Road Initiative" first unveiled in 2013 has become Xi's signature project. At the 2017 World Economic Forum in Davos, Xi referred in his speech to China's role as a defender of globalization and free trade.[30] Substantial changes in language and in how China behaves as a global actor are already under way, and there has been a clear repositioning concerning its role as a global security actor.[31]

The majority of Chinese people welcomes the new key role for their country in international politics. It makes them proud to see their president on the international stage. However, critical voices questioning the price the country pays for its new role are getting louder. China's risk-prone investment abroad and the physical presence of Chinese citizens in politically unstable countries are both growing. Without a proper risk assessment, BRI could turn into Xi's Achilles' heel. Among the most influential figures publically voicing criticism is Shi Yinhong. The international relations scholar, who acts as an advisor to the State Council, openly warned of a "strategic overdraft" in respect of the associated economic commitments and the danger of getting drawn into military conflicts.[32]

Consecutive major setbacks undermining the credibility of the initiative might eventually cost Xi the uncontested support he needs for the domestic reform issues he wants to pursue. As such, a full endorsement of an ambitious foreign policy agenda at the party congress is not a foregone conclusion. Xi might even have to apply the brakes to his international ambitions in the second term in favor of addressing more pressing issues at home.

The political report will stress the need to focus more on ideological training

6. Conclusion

This fall's 19th Party Congress will provide hints concerning the true extent of Xi Jinping's power and his ability to shape the party's agenda for the next five years or even beyond. Xi's first term (2012-2017) was defined by a clear turn towards strongman politics, centralization of decision making and imposition of organizational and ideological discipline within the ruling party. Xi's position will be further strengthened at the party congress if his trusted allies are selected for key positions and if the defining elements of his first term are amplified through reports and resolutions approved during the Congress.

Xi Jinping's centralized and personalized approach to Communist party leadership differs considerably from other post-Mao leaders. Under Xi's predecessors at the helm of the CCP – Deng Xiaoping, Jiang Zemin and Hu Jintao – China's political system provided more space for adaptive evolution. Bottom-up administrative and entrepreneurial initiative were a crucial driver of policy innovation and economic dynamism from 1978 to 2012.

In contrast, the personalized political authority and centralized policy making pursued under Xi is effectively narrowing China's developmental trajectory. In one plausible scenario, hardened Communist Party rule may turn out to be too administratively rigid, or too financially reckless, for sustaining continuous economic restructuring. And Xi Jinping's personal authority and top-down leadership may suffer due to visible policy failures or declining health. In such scenarios, China will be faced with political leaps in the dark and left without a credible option for an evolutionary, non-disruptive transition to a more elastic and open polity.

Conversely, however, if Xi Jinping's vision of a strictly disciplined, IT-backed and security-fixated type of Communist Party rule turns out to be politically effective and economically productive, China's political system will become a global model for aligning the transformative potential of big data technologies with a hard authoritarian, perhaps even newly totalitarian, approach to governance. This model can be called "Digital Leninism" as it combines the strict hierarchical features of a Leninist party organization with the potent instruments for information gathering and surveillance of big data applications.

The political decisions endorsed by the party congress will provide clues not just about China's domestic development but also about the global repercussions that we can expect from the coming years of Xi Jinping's reign. For instance, measures aiming at a stronger supervision of Chinese educational institutions and non-governmental organizations will put further constraints on constructive dialogue and cooperation between China and Western partners. Overall, if Xi's assertive approach to foreign policy gets an additional boost through the party congress, tensions in international diplomacy, trade and security revolving around China's positions and actions, may come to increase in the near future.

The personalized political authority and centralized policy making pursued under Xi is effectively narrowing China's developmental trajectory

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