

CHINA'S “NEW DEAL” IN XINJIANG

SHAN Wei & WENG Cuifen

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Executive Summary

1. The Xinjiang Work Conference, a joint conference of the Chinese Communist Party's central committee and the State Council, China's cabinet, was held in Beijing from May 17 to 19, 2010 to promote a new deal in Xinjiang Uyghur Autonomous Region and outline a blueprint for the region's development until 2020.
2. As a response to the deadly ethnic conflicts in last July in Xinjiang's capital Urumqi, this conference sought to fix problems in the existing policies in Xinjiang.
3. Income inequality between Uyghurs and Han Chinese, heavily regulated religious activities, and growing ethnic consciousness are major reasons underlying the ethnic tensions in Xinjiang.
4. After the Urumqi riots, the Chinese leadership has decided to make a major policy adjustment and promote development-centered policies in this region. As one of the harbingers of the adjustment, the Xinjiang party chief Wang Lequan (王乐泉) was replaced by softliner Zhang Chunxian (张春贤).
5. The Xinjiang Work Conference has unveiled a new policy package. Chinese leaders vowed to promote "leapfrog development" and "lasting stability" in Xinjiang. By 2015 the economy in the region should catch up with the national average level, and by 2020 Xinjiang should accomplish a "moderately prosperous society" (小康社会). The focus of the development will be on improving the livelihood of all ethnic groups.
6. To achieve the goals, Beijing will pour hundreds of billions of *renminbi* into this far west frontier. The current resource tax structure will be reformed in favor of Xinjiang. And Kashgar, a Uyghur-concentrated city, is to be established as a Special Economic Zone and to become the economic engine for Xinjiang's growth.

7. Maintaining stability remains crucial to Xinjiang. Top military leaders sat in the conference, and a new anti-riots special police unit was established in Urumqi, showing that Beijing is ready to use force to crack down any efforts of separatism.
8. These new initiatives are promising. Yet in the long run the new deal may face several challenges domestically and internationally. Chinese leaders showed no sign of revising their religion policy, which has radicalized many Muslim Uyghurs. And it still remains a question how a national Chinese identity could be established among various ethnic groups.
9. Internationally, the U.S. has financially supported overseas Uyghur organizations. And Turkey, due to its cultural and linguistic ties with Uyghurs, showed adamant interest in Xinjiang. Considering the Turkish influence in the Central Asian Turkic states, China may want to be prudent in handling the Xinjiang issues.