

**THE CHINESE COMMUNIST PARTY
AND POLITICS IN 2018:
CONSTITUTIONAL AMENDMENTS AND
PARTY POWER CENTRALISATION**

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EAI Background Brief No. 1417

Date of Publication: 28 December 2018

Executive Summary

1. The month March 2018 kick-started Chinese President Xi Jinping's second term at the annual session of China's National People's Congress, which amended the country's constitution to allow Xi to remain in power beyond his scheduled departure in 2023.
2. Xi's power consolidation also came with the Party's reinforced Leninist control of state apparatus at various levels, corporations, civil society, the media and the academia. The Party-State reforms in 2018 were a significant reversal of Party-State separation (*dangzheng fenkai*) initiated since the Deng era.
3. Despite Xi's political dominance, dissent to his strong-man leadership, in particular his assertive handling of US-China relations, social media and private businesses, surfaced among party elites, industry players and intellectuals. The year 2018 also marked the 40th anniversary of China's Reform and Opening (*gaige kaifang*).
4. The abolishment of presidential term limits, the high-profile external expansion via the Belt and Road strategy and the suppression of Chinese private sectors have threatened rules, either formal or informal, set up by the collective leadership during Deng's era.
5. The Party took over the responsibilities of six State Council institutions previously responsible for matters concerning civil service, the press and publication, the film sector, ethnic affairs, religious affairs, overseas Chinese affairs, and computer network and information security.
6. The Party's United Front Work Department absorbed three state entities – the National Ethnic Affairs Commission, the State Administration of Religious Affairs and the Overseas Chinese Affairs Office. This has strengthened Party control of ethnic affairs, religious affairs and overseas Chinese affairs.

7. In 2018, more than a dozen political stars were either promoted or transferred to posts of provincial governors or party chiefs. Over 20 ministerial-level officials were placed under investigations for suspected graft.
8. The temporary halt to trade tariffs agreed between Donald Trump and Xi Jinping on 1 December 2018 was only scheduled for 90 days on the condition that the two sides can reach a substantial and formal trade deal.
9. The deadline coincides with the opening of China's annual parliamentary sessions in the beginning of March 2019. If negotiators fail to reach a trade deal, the confrontation could escalate into a full-scale trade war that will have political backlash against the Chinese leadership.