Executive Summary

1. Chinese President Xi Jinping has built up enormous power since he became the Party’s paramount leader in 2012; the new title of “leadership core” granted at the Sixth Plenum is meant to further reinforce his authority for personnel reshuffles and policy implementation.

2. In 2016, more than 30 cadres have been promoted or transferred to posts of provincial governors or party chiefs. Among the 25 ministerial positions in the State Council, China’s cabinet, five were reshuffled in 2016.

3. Li Xiaopeng, Chen Baosheng, Xiao Jie, Chen Wenqing and Huang Shuxian respectively replaced Yang Chuantang, Yuan Guiren, Lou Jiwei, Geng Huichang and Li Liguo as ministers of transport, education, finance, state security and civil affairs.

4. In 2016, the Central Commission of Disciplinary Inspection (CCDI) led by Wang Qishan charged more than 50 ministerial-and-above officials for corruption. Wang is now planning to establish a new anti-corruption body – the state supervision commission – to beef up state supervision of all public servants.

5. China officially launched the long-expected military overhaul to move the armed forces away from its Soviet-style command structures towards an American-style joint operation command of the army, navy and air force, among others.

6. The four general military headquarters, namely, the Staff, Politics, Logistics and Armament departments, were reorganised into 15 new agencies, while five new theatre commands of the east, south, west, north and central commands were inaugurated to replace the seven long-existing military regions.

7. In early 2016, the People’s Liberation Army (PLA) ground forces’ general command (lujun zongbu), the PLA Rocket Force and the PLA Strategic Support Force were established.
8. Xi still faces political resistance from various factions within the Party when his reforms and anti-graft campaign cut deeply into major vested interests.

9. The 19th Party Congress in 2017 is likely to effect a far-reaching change in the composition of the central leadership. Xi Jinping and Li Keqiang are expected to retain their seats in the Politburo Standing Committee (PSC), while Wang Qishan is likely to stay on for another term due to his role in the anti-corruption campaign.

10. Incumbent Politburo members like Li Zhanshu, Wang Yang, Sun Zhengcai, Hu Chunhua and Wang Huning are promising candidates to join the PSC in 2017, while provincial party secretaries like Chen Min’er, Li Qiang and Chen Quanguo are likely to enter the Politburo.