CHINA’S FOURTH PARTY PLENUM IN 2019: EMPHASISING GOVERNANCE CAPACITY BUILDING AMIDST SEVERE CHALLENGES

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Executive Summary

1. The 19th Party Central Committee held its fourth plenum from 28 to 31 October 2019, with Party General Secretary Xi Jinping urging improvement in governance amidst a sluggish economy, acknowledging a bruising trade war with the United States and denouncing unrest in Hong Kong.

2. The Plenum’s document indicates that though the Chinese Communist Party (CCP) does not intend to change its fundamental political or economic systems, it is ready to continuously learn from advanced governance experiences and models in other modernised countries.

3. Such tasks of improving governance based on institutions and laws are the continuation of massive reform plans first proposed by the Third Plenum of the 18th Central Committee in 2013 where Xi consolidated his power as the supreme authority overseeing not only domestic security and diplomatic issues, but also economic affairs.

4. The Plenum’s reference to “one country, two systems” suggests Beijing has no plans to change its policy towards Hong Kong in the near future, but the emphasis on a national security law suggested that the leadership might push for local legislation in Hong Kong.

5. For Xi’s second term as Party General Secretary, the Second and Third Plenums held respectively in January and February 2018 deviated from conventional agenda setting.

6. The Second Plenum proposed amendments to China’s Constitution that included the abolition of the two-term limit for the paramount leader. The Third Plenum, which was held about eight months ahead of schedule, approved a sweeping plan to merge Party and state institutions.
7. Since then, there was no plenum till October 2019, when the Fourth Plenum was back on track to discuss the CCP’s governing capacity, a traditional agenda set for all fourth plenums.

8. Provincial leadership reshuffle normally precedes CCP Plenums. Party Secretary Shi Taifeng of Ningxia replaced Li Jiheng as party secretary of Inner Mongolia, while governor of Henan Chen Run’er replaced Shi as Ningxia party secretary.

9. Prior to the Plenum, the CCP promoted a succession of young leaders with financial backgrounds to vice-governor positions in many provinces, indicating an emphasis on financial opening-up, regulation and stability.

10. No major personnel decisions at the top level were announced at the Plenum, implying that no heir apparent for Xi Jinping has been identified.

11. The Party, according to Xi’s speech at the Central Party School in September that rallied cadres to meet great “struggles”, is prepared for a worse case scenario as there are no quick solutions to all the problems faced.