



# INDIA FORUM ON CHINA

## COMMUNIST PARTY OF CHINA IN THE 'NEW ERA'



26-29 NOVEMBER, 2022



# **KEY TAKEAWAYS**

## INAUGURAL SESSION

- The 5<sup>th</sup> India Forum on China @Goa (IFC @Goa) was held on November 27-28, 2022. The Conference, which witnessed a grand attendance, was organised by the Institute of Chinese Studies (ICS), New Delhi, in partnership with the India Office of the Konrad-Adenauer-Stiftung (KAS) and in co-operation with Goa University. The theme of the Conference was ‘**Communist Party of China in the ‘New Era’**’.
- The speakers in the **Inaugural Session** touched upon the themes and important developments emerging from the 20<sup>th</sup> National Congress of the Communist Party of China (CPC) which had confirmed Xi Jinping’s paramount role in the party and set the seal on the ‘new era’.
- The session was chaired by **Prof. Alka Acharya**, Honorary Director, ICS, who highlighted the role, significance and impact of the CPC having transcended national borders and its implications for international relations. Introducing the six multi-disciplinary sessions of the Conference, she emphasised the importance of assessing and comprehending the ‘New Era’, the dominant paradigm in the Peoples’ Republic of China (PRC), through multiple dimensions by the scholarly and policy-making communities.
- In her **Opening Remarks**, **Prof. Aparajita Gangopadhyay** welcomed the delegates on behalf of Prof. Harilal B. Menon, Vice-Chancellor, Goa University. She dwelt on how China’s profile in international relations underwent a decisive change after 1978, and how China’s model has been hailed by Party elites as an alternative to neoliberal globalisation.
- **Dr. Adrian Haack**, Director, Konrad-Adenauer-Stiftung’s India Office, in his **Welcome Remarks**, described China as “the most influential player on the global stage”, which posed a military threat to multiple countries. He described China as being ruled by an “oppressive regime” with a track record of violating human rights. However, China would play an important role in future technological transformations and its cooperation was required to deal with climate change. Commenting upon Sino-Indian relations, Dr. Haack spoke of China as “an essential trading partner for India” which “at the same time, has been taking over India’s neighbourhood in the Indian Ocean”, and violating “India’s Himalayan borders.” He referred to China as a prospering economy and pointed to the importance of trade and investment between Germany and other EU countries with the PRC. He also noted with appreciation the distinguished international participation at the 5<sup>th</sup> IFC, brought together by the Institute of Chinese Studies.
- The **Keynote Address** was delivered by **Prof. Santishree Dhulipudi Pandit**, Vice-Chancellor, Jawaharlal Nehru University, New Delhi. She raised some extremely insightful and pertinent aspects with regard to contemporary features of the PRC and the CPC, how it

was turning from a revolutionary to a ruling party and how China had become a more revisionist state in the current international order. Underscoring the fact that to understand China it was necessary to understand the CPC, she also referred to the important role played by China in the post-Covid world, which needed to be studied in the context of China's international ambitions to become the pivot of Asia. She dubbed the CPC as the "largest transnational corporation in the world".

- The **Vote of Thanks** was presented by **Dr. Preksha Shree Chhetri**.

## SESSION 1

- The first session of the 5<sup>th</sup> IFC @Goa was titled, '**Party Governance and Leadership**', and was chaired by **Amb. Ashok K. Kantha**.
- In his introductory remarks, Amb. Kantha commented upon developments in China, in the aftermath of the 20<sup>th</sup> Party Congress, bringing in the themes of factionalism as a perennial feature of CPC politics and how the dismantling of Deng Xiaoping's legacy will impact policy and governance in China. He pointed to the missteps in policy-making under Xi Jinping, which include the Zero-Covid Policy, as well as over-centralisation in governance.
- The three presentations by **Dr. Bhim Subba**, **Dr. Ming-shih Shen** and **Dr. Roger Liu** explored the changes in the institutional leadership of the CPC, the rising prominence of military-civil fusion, the United Front work, and how this has been seen from the optics of Party leadership.
- **Dr. Bhim Subba** scrutinized the turnover in the Politburo, the Standing Committee of the Politburo and the Central Committee of the CPC, and also analysed the various factors that influence representation in the Party. He further examined the processes and procedures whereby Xi Jinping selected leaders within the CPC, especially in the wake of the 20<sup>th</sup> Party Congress.
- **Dr. Ming-shih Shen** provided a rich historical background to the emergence and development of Military-Civil Fusion (MCF) in China since the days of Mao Zedong which has been given a greater boost under Xi Jinping. Since 2017, when a dedicated unit was established within the CPC, called the 'Central Military-Civil Fusion Development Committee,' the PRC government had been providing systematic encouragement to civilian enterprises to engage in military technology research and development. However, it was extremely difficult to implement given that the US sanctions were aimed primarily at the Chinese military and there was not sufficient expertise in China in this regard.

- **Dr. Roger Liu** provided a historical context for understanding the CPC’s United Front Work Department (UFWD), in terms of its strategies of dividing and manipulating ‘friends and enemies’ and ‘interference and promoting the formation of political coalitions’ in target countries. He expounded on how the UFWD under Xi Jinping has comprised elements of both propaganda, as well as disseminating “good stories” about China, especially in countries where China is investing in infrastructure-building under the Belt and Road Initiative (BRI). A significant component of UFWD has been a stress on ‘one China’ aimed at ‘unifying Taiwanese compatriots’- domestically and overseas.
- **Dr. Rityusha Mani Tiwary** led the discussion for Session 1 and an important question she raised was regarding the significance of economic performance for the CPC’s legitimacy and whether it was important to go beyond economic performance in the post-20<sup>th</sup> Party Congress period.

## SESSION 2

- The second session of the Conference was titled, ‘**Ideas and Narratives**’, which effectively tailor the ideological and existential ecosystems for the Party. It was chaired by **Prof. Mumin Chen**, and included presentations by **Prof. Alka Acharya**, **Mr. Tuvia Gering** and **Dr. Anand P. Krishnan**.
- **Prof. Acharya** argued that it was necessary to pay attention to and accord due importance to understanding the ideological formulations of the CPC. The concept of the ‘Primary Stage of Socialism,’ had been the basis of a fundamental restructuring of China’s economy, contributing to the ‘rise of China’. In the ‘new era,’ under Xi Jinping, its *systemic* significance emerges in terms of guiding the Party to build a rich, strong and powerful *socialist* state.
- **Mr. Tuvia Gering** analysed the sources and ramifications of Xi Jinping’s power within China, by exploring the role played by the intellectuals today in Chinese society, in transmitting orthodox (official) culture in a way that “offers a coherent and compelling narrative of history in order to make sense of the present and inform the future.” He described General Secretary Xi of the CPC as China’s “storyteller-in-chief”, and how Xi Jinping is determined not to let the western narratives dominate perceptions about China but that the Chinese should narrate their own stories.
- **Dr. Anand P. Krishnan** drew attention to the fact that in the ‘new era’, the labor issue for the CPC is more of a ‘law and order problem’ requiring crisis mitigation strategies. He maintained that autonomous labour activities were not encouraged, and brought together various issues

such as the emphasis on industrial stability, the declining role of farmers and workers along with a decline in their overall membership within the CPC.

- **Prof. Ravni Thakur**, who led the discussion, contextualised the role of Chinese intellectuals in the preceding years in the arenas of ideology, politics and economy.

### SESSION 3

- The third session of the 5<sup>th</sup> IFC @Goa was titled, ‘**The Party’s Global Interests**’, and was chaired by **Prof. Varun Sahni**.
- The first presentation of this session by **Prof. Gudrun Wacker**, adopted the Weberian framework to ask what was ‘legitimacy’ and ‘for whom,’ and showed how different elements had contributed to the building of legitimacy of the leaders over the generations. Under Xi Jinping, she argued that there was a shift from economic ‘output-based’ legitimacy to a legitimacy based on ‘defending national interests,’ which included the rejection of western criticism of CPC’s domestic and external behaviour (debt trap, Taiwan). While Xi has made it clear that there would be no compromise on the question of Taiwan, Prof. Wacker opined that if he was unable to deliver on that promise, he had virtually “painted himself into a corner.”
- **Dr. Rajiv Ranjan**’s presentation on the PRC’s concept of ecological civilization reflected on how the Party-state projects its plans to deal with environmental concerns globally and its accountability in matters of global concern. He drew attention towards the fact that carbon neutrality will largely affect the working class in China and the enormous burdens it is likely to place on the Chinese economy. He concluded by underscoring the challenges that Chinese society will have to face as it shifts to carbon-neutral way of life.
- **Dr. Isaac Kardon**’s presentation focused on the PLA’s explicit role in connecting the Party’s articulation of its global interests with the PLA’s strategic tasks. He stressed the nature of the PLA as a Party-Army which was not as yet postured for overseas military operations – but identified the protection of “overseas interests” as a key policy aspect. He opined that the main theatres of Chinese trade and the emphasis on combat experience may force small-scale, limited engagements. He also mentioned the emphasis on the strategic domain of maritime security, particularly the South China Sea, and Taiwan.
- The discussion, led by **Mr. Siddharth Varadarajan**, brought together the arguments of the three speakers to establish the different facets of China’s challenges as also the dimensions of China’s ever-increasing global footprint.

## SESSION 4

- The fourth session of the Conference was titled, ‘**The Party and the Economy**’, and it was chaired by **Prof. Seshadri Chari**.
- **Prof. Chari** introduced the theme of the session by discussing the relation between economic reforms and the role of the CPC therein, as also the structural changes in the Party in the post-Mao era. He referred to the then ongoing protests in China as an expression of greater public expectations and asked whether the elites could bring about a change in China or whether there would be another Soviet-style collapse in China.
- **Dr. Priyanka Pandit** spoke on State Owned Enterprises (SOEs) and the Party’s management of the economy. She underscored the significance of the 20<sup>th</sup> Party Congress for the Chinese economy by dubbing it as the most significant event in 40 years since the 12<sup>th</sup> Party Congress in 1982. Dr. Pandit argued that the analytical model of state capitalism has proven to be inadequate in explaining the nuances of the state and market relations, and also discussed how the SOE reforms received a boost with the ‘Made in China 2025’ (MIC 2025) programme under Xi Jinping.
- **Prof. Heribert Dieter** was rather pessimistic about China’s economic prospects which he described as “obscure,” as he began with the question whether China had started to decline economically and what would be the implications for the CPC. He focused on two key issue areas - real estate and demography – to demonstrate that the best decades of its economic growth were behind the Chinese rise story. He pointed out that on the one hand, China was no longer as attractive as a manufacturing base, on the other, there was already a huge oversupply of real estate in China with a vacancy rate of over 20 per cent, which was exacerbated by the fact that China’s population was declining sharply. He cited the example of the business community in Germany, which was increasingly sceptical about China’s economic growth and their own businesses in China.
- **Prof. G. Venkat Raman** brought up a somewhat different picture as he discussed the Party-business interface in China where he focused on the recent measures taken by the Party with regard to centrally-owned enterprises or ‘*yangqis*’. He highlighted the fact that, according to the *Fortune 500* list of 2022, Chinese companies have overpassed the American firms. The Party-state is now controlling more than hundred business groups and financial institutions and by using a combination of hierarchical control and decentralised experiments, and with new institutional arrangements and policy solutions (making markets and innovation work better), the CPC has served as an institutional builder and policy entrepreneur in the evolution

of these ‘*Yangqis*’. This is one of the most significant outcomes of China’s institutional development of SOEs in the recent times.

- The discussion was led by **Dr. Aravind Yelery** who made the interesting observation that the initiative to reform did not come from within the CPC but it were the prevalent domestic conditions and external challenges that compelled the Party to carry out the economic reforms.

## SESSION 5

- The fifth session of the 5<sup>th</sup> IFC @Goa was titled, ‘**The Party’s Narrative-Building Abroad**’, and was chaired by **Amb. Vijay Nambiar**. He recalled that Xi Jinping had made it clear as early as 2014 that Chinese diplomacy was marking a clear departure from Deng Xiaoping’s ‘low-profile’ foreign policy approach and would strive to reshape the international order which is driven and dominated by the United States. He pointed out that two focus areas for change in the ‘new era’ were- first, to counter the central role of liberal ideology in the international order and second, to address the inequitable distribution of power in international institutions.
- **Dr. Tsung-Han Wu** explored the extremely interesting subject of the CPC’s approach to the Russian Narrative on Ukraine. Pointing to the Sino-Russian statements such as “friendship without limits” and “no forbidden area of cooperation,” Dr. Wu argued that they raised questions on China’s ostensible commitment towards taking a neutral stand. He stressed that China and Russia had strengthened their bilateral ties and that China was taking advantage of the Ukraine war to create a cognitive impact on the Taiwan issue in the international domain.
- **Dr. Jabin T. Jacob**’s presentation was based on the rationale that though not attracting much international attention, Madagascar was an important yardstick of China’s increased presence in the Indian Ocean. On the other hand, given that the PRC was not a "normal" state in the sense that it privileges the regime interests, meant that the ‘national’ interest was not exactly commensurate with the Party's interest, which was more about survival and power. Madagascar demonstrated the CPC’s practice of exploiting political uncertainty and instability in economically weak and isolated countries to push agendas favourable to its own interests.
- **Dr. Chien-Yu Shih** spoke on the ethnic minorities policy in the ‘new era.’ He maintained that while Xi Jinping’s rule began in 2012, ethnic policy reforms were carried out from 2014 onwards. Dr. Shih pointed out that the chief characteristic of the new ethnic minorities policy,



however, merely paid lip service to the autonomy of ethnic minorities and in the main were designed to encourage patriotism and allegiance to the CPC.

- The discussion was led by **Lt. Gen. S.L. Narasimhan** who suggested that it was too early to pass any final pronouncements on the ongoing protests in China.

## SESSION 6

- The final session of the Forum was titled, '**Regional Policy**', and was chaired by **Prof. Rashmi Doraiswamy**. She provided a useful historical perspective, tracing the historical importance of the Asian region from the perspectives of the Great Game of the late 19<sup>th</sup> century and the Silk Route, which provided a complex backdrop to the present geopolitics, wherein the PRC-sponsored BRI was a revival of the old Silk Route. She commented upon Russia's responses as being motivated by the antagonistic stance of the Western powers, which would contribute to the further deepening of Russia and China relations.
- **Dr. Ümit Alperen**'s presentation analysed China's Middle East policy, comparing its geopolitical interests in the region vis-à-vis its ideological interests, and brought out the transition from 2013, when China's policies broadened to encompass the political and military spheres, in addition to the economic. Notwithstanding China's newfound interest in the Middle East's regional politics, Dr. Alperen maintained that relations with East Asia, Southeast Asia, Central Asia, and the great powers, take priority over the Middle East.
- **Dr. Avinash Godbole** spoke on China's response to developments related to the Indo-Pacific. In his view, China's response to the idea of Indo-Pacific was twofold – political and economic, and China's foreign policy was better understood in terms of a response to structural shifts. An important aspect in this context was China's ideas of 'Asia for Asians' which reflected the PRC's ambition as a 'norm-maker.'
- **Dr. Chang Young-Hee** spoke on the PRC's changing relations with East Asia within the framework of the three pillars of Chinese diplomacy, viz., relations with developed countries, relations with neighbouring countries, and relations with developing countries. In his assessment, China would prioritise its relations with neighbouring countries and would intensify confrontation with the US in the future, while moving closer to developing countries.
- The discussion was led by **Ms. Jyoti Malhotra** who brought in the issues in China-South Asian relations in the context of the PRC's aggressive stance along its borders. She further brought in the perspective of Chinese expanding influence, including its influence over media, especially in Nepal.

## CONCLUDING SESSION

- The Concluding Session of the 5<sup>th</sup> IFC @ Goa was chaired by **Prof. Alka Acharya**.
- **Prof. B.R. Deepak** delivered the **Valedictory Address**, which made a case for Xi Jinping “denouncing” the policy paradigms of Deng Xiaoping’s era, viz., ‘Crossing the River by Feeling the Stones’ and ‘Economics in Command’. He based his argument on a set of assumptions emanating from the increasing national and international challenges faced by China, the expansion of the scope of ‘people’s ownership’ to facilitate regulation, and on the discourse of power emanating from China. He concluded by asserting that China was not averse to conducting business with India, but firmly against granting India space on the regional or the global stage.
- The **Conference Report** was presented by **Dr. Aravind Yelery**, who summed up the two-day long conference, covering all papers and bringing out the nuances of the different arguments. He endorsed the general opinion of the participants about the high quality of the presentations and discussions, and conveyed his appreciation towards all the delegates and attendees for making the 5<sup>th</sup> IFC @Goa a success.
- **Col. K.L. Roy** gave the **Vote of Thanks** wherein he expressed the shared sentiment of deep gratitude of the organisers towards all the participants, the audience, the young volunteers of Goa University and congratulated all the people involved for superb team work and whole-hearted involvement.