A Look at China and Sino-Belarus Cooperation

Praise for the Book

"An untypical story about China by a Belarusian Ambassador. Every reader can find a lot of interesting and new material here".

—Vladimir Portyakov, Chief Redactor of the *Issues of Far East Journal*, Professor of Economics, Institute of Far East, Russian Academy of Science, Russia.

"The book This is Different, written by Ambassador Kiryl Rudy, is a deep intellectual guide to a fast-changing China, as its rise has become the main script of global policy in the 21st century, and determines the life of the rest of the world. This book is written by an experienced practitioner, who uses China-Belarus cases to explain how to establish mutually beneficial cooperation with the superpower despite the growing asymmetry",

—Alexander Gabuev, Head of the Program "Russia in the Asian and Pacific Region" at the Moscow Carnegie Center, Russia

"China is getting closer to Belarus together with its everyday consumer products. The book This is Different by Kiryl Rudy is trying to give an answer to the question 'How has China transformed in 40 years from a distant and mystical country to a country without which it is difficult to imagine modern life in Belarus?' And how can these two countries so different in many ways are able to build their comfortable future together".

—Sergei Dubkov, PhD in Economics, Chairman of the Board of CJSC "BSB Bank", Belarus

"The book This is Different is very rich, insightful, and constructive! It is very informative and fresh with perspectives".

—Zhu Ning, Professor of Finance, Tsinghua University, China, the author of "China's Guaranteed Bubble"

"This book is another attempt to understand the mystery of China. In my opinion, it's the good one. I strongly recommend it to those who want to understand "why they succeeded, and we didn't", and for those who, together with the author, want to search for a national formula of "Chinese success".

-Oleg Demin, PhD in Economics, Ambassador Extraordinary and Plenipotentiary of Ukraine in China in 2013 - 2019.

"This book is published in the most interesting and important period of Chinese development. It is especially attractive for practitioners at a time when China faces the first results of its global and national multi-targeted programs. The book provides interesting analyses of the fruitful and dynamic development of Sino-Belarus cooperation in recent years".

—David Apciauri, Doctor of Economics, Ambassador Extraordinary and Plenipotentiary of Georgia in China in 2013 – 2018.

A Look at China and Sino-Belarus Cooperation:

This is Different

Ву

Kiryl Rudy

Cambridge Scholars Publishing



A Look at China and Sino-Belarus Cooperation: This is Different

By Kiryl Rudy

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ISBN (10): 1-5275-6351-0 ISBN (13): 978-1-5275-6351-3 To our Chinese friends who see themselves in us

TABLE OF CONTENTS

Preface	ix
ntroduction	1
Section 1. China's Policy: "Not Forgetting About the In	nitial Goal"
Chapter 1Historical Congress	8
Chapter 2 Tigers and Flies"	23
Chapter 3 The Strength of Mind	38
Chapter 4 Masks of Beijing Opera	52
Section 2. China's Economy: "Standing Still Means Mo Backwards"	ving
Chapter 5 The Way of the Dragon	74
Chapter 6 To Bury the "Zombie"	93
Chapter 7 Stake on IT	110
Chapter 8	

Section 3. Belarus — China: "Move Along One Way but On Different Roads"

Chapter 9	148
"Iron Brothers"	
Chapter 10	165
Getting Away from the "Debt Trap"	
Chapter 11	178
Belarusian Hong Kong	
Chapter 12	195
The Chinese Dream	
Conclusion	212
Abbreviation List	217
Acknowledgments	220
Notes	222

PREFACE

This book is about China, during a new era in the country's development, which began in 2013, with Chairman Xi Jinping coming to power, replacing the thirty-five-year era of Deng Xiaoping. *This is Different* is non-fiction, and is a scientific study, a practical guide, and a diplomatic memoir.

The book explores the modern Chinese experience of political centralization of power, the fight against corruption, the strengthening of the country's defenses, the reinforcement of Chinese diplomacy, the political rapprochement between China and Russia, and the exacerbation of relations with the United States. It also includes issues such as China's adjustment of the policy of reforms, and its openness to a new era, the reforming of inefficient state-owned enterprises, and building an 'IT country', overcoming phobias on the way, such as the 'Belt and Road' initiative related to the 'debt trap', 'trade deficit', and Huawei Company.

A separate section of the book is devoted to Belarusian-Chinese relations. The reasons for political rapprochement between the two countries up until the announcement that they are 'iron brothers' are explained. The practical experience of Belarus in avoiding the so-called 'debt trap' of China is also described. The transformation of the 'Great Stone' Chinese-Belarusian Industrial Park into a modern metropolis is presented, while the features of, and barriers to, fixing Belarusian goods and services in the Chinese market are indicated.

This is Different enables readers to find in the pages of the book the similarities and differences within the politics and economy of China, and to learn firsthand the practical experience of the development of Belarusian-Chinese relations in recent years, on the basis of unique data, research results, and the author's personal memoirs.

The author of the book is Kiryl Rudy, a Professor of Economics, who has lived in China for about a decade. In 2016–2020, he worked as the Ambassador Extraordinary and Plenipotentiary of the Republic of Belarus to the PRC, and in 2013–2016 he was the Economic Advisor to the President of the Republic of Belarus. In 2013, he also worked as the Deputy General Director of the Belarusian office of the Chinese Huawei, and in 2007–2012, he served as the Commercial Counselor at the

x Preface

Embassy of Belarus in China. He is also the author of the books *State Capitalism Reforms and the Path for Belarus: Financial Diet* and *The Behavioral Economics of Belarus: "Because We Decided So"*.

INTRODUCTION

On September 14th, 2016, on the eve of the Chinese Mid-Autumn family Festival, the main event in the life of any ambassador — the presentation of credentials — which was my entry into the 'Chinese family' happened. The traditional black car, of the Chinese brand Hongqi (red flag), filed towards the embassy, and brought me to the entrance of the historic building of the National People's Congress on Tiananmen Square, accompanied by senior diplomats. Moving inside without security inspection (surprisingly), we were escorted to a waiting room, where there were delegations from other embassies, and there was an opportunity to take a 'selfie' on the phone as a keepsake.

The protocol department of the Chinese Ministry of Foreign Affairs had instructed us in advance that the previous PRC chairmen, Jiang Zemin and Hu Jintao, had held a protocol meeting with each ambassador and their delegations, sitting in chairs in a separate room, after the ceremony of presenting credentials, but that everything would be different with Xi Jinping. They warned that after presenting credentials, a brief conversation 'on their feet' would take place within a few minutes. And so it happened. Xi Jinping accepted the credentials very solemnly, handed them to his assistant, and said that he was expecting his friend, the President of the Republic of Belarus, Alexander Lukashenko, to pay a visit to China in the near future. In response, I thanked him, saying the prepared words which provoked a lively reaction from Xi and his translator, and which predetermined my future mission, "Our countries are close, thanks to the friendship of our leaders, and geographically we are almost neighbors. We have only one country between us, albeit a large one".

This story contains everything you need to know about modern China and Sino-Belarusian relations. China has entered a new era. The Chinese Chairman, Xi Jinping, has strengthened the political distance, which affects everything, even the unbending diplomatic protocol.

Not all services adapted immediately, which sometimes caused failures, as had happened with the security at the entrance to the National People's Congress building. Then these gaps were eliminated. Now, before any event involving the participation of Xi Jinping, a thorough

2 Introduction

inspection takes place, and special boxes outside the National People's Congress building have been installed to store mobile phones.

Any change is a concession. In the new era of Xi Jinping it is not he who concedes, but others. Xi Jinping is moving forward in line with his principles, values, and views, many of which, fortunately for Belarus, coincide with the world outlook of President Lukashenko. Thus, the friendship established between the two leaders has pushed the development of Sino-Belarusian relations - which became the 'iron brotherhood' - forward. However, the political revival of Russia, and its rapprochement with China, cast a shadow over all neighboring countries and their international ties. Belarus and Sino-Belarusian relations are no exception.

This book is a scientific study, a practical guide and a diplomatic memoir. What was seen and felt in China, but could not be described by statistics or the results of domestic and foreign research, is supported in the book by personal experience and memories. As a result, the author's view of China and Sino-Belarusian relations is offered for better understanding of this country, which is never fully understood by a foreigner.

The title of the book *This is Different* will be perceived differently by readers, depending on the level of their understanding of China and Sino-Belarusian relations. The main question is, what is different? China? Or maybe Belarus? The answer mirrors the situation when Belarusians first find themselves in China, and go through different stages which characterize the depth of their understanding of this country.

The first is denial.

Under the influence of old stereotypes, western phobias about China, the mentality of belonging to a small country, the opposition of 'communists' to 'capitalists', there is a denial of what one sees, criticism, and a perception of the environment as artificial. The initial opinion that "all Chinese are cunning and even deceivers, steal technology, and make fakes" is being strengthened. Such a first impression of China, and Asia as a whole, is peculiar not only to Belarusians, but also to other foreigners, which is confirmed by some psychological tests of levels of trust. At the same time, it is proved that this impression is mistaken.¹

Upon arrival in China, Belarusians also have the belief that, in comparison, "it is better to work with Russia, with which we have one language, culture, cuisine, and everything is close; we have one time zone with Moscow, and there is a large market". So, Belarusians acquire their first impression that the Chinese are different.

The second stage is admiration.

This stage quickly replaces the previous one. There is a love of the history, culture and cuisine of China. Nostalgia for the Soviet past, and for the missed future that is supposedly embodied in the present of China, appears.

The Chinese economy is also idealized. There is admiration for the continuous economic growth, the success of policy of reforms and openness, the effects of scale, tall buildings, new cars, bright evening illuminations, multi-level bridges, urban greening, the use of IT, the entrepreneurial nature and simplicity of the Chinese spirit, and political stability. And, of course, its surprisingly close and selfless relations with Belarus. This new impression is that the Chinese are normal, they are somewhat similar to the Americans and Europeans, and that we Belarusians are all different from them.

The third stage is silence.

There is an expression in China: "the one who does not know speaks, the one who knows is silent". Over time, awareness of the complexity of China's harsh pragmatism, and constant rapid and profound changes that are difficult to psychologically digest appear, which causes mental fatigue. There is disappointment in the absence of a quick 'Chinese miracle'. There is the doom of hard work and continuous movement in the right direction. The understanding of our real place in this country is also tiresome, as is the understanding of our narrow niches in the Chinese market, how to occupy them, and explore what problems there are, alongside solutions and correct conclusions.

The remaining fragments of the previous two stages disorientate us, and keep us silent, waiting for the next change in China in order to draw new conclusions. Looking back at the changes that have taken place in this country, a flexible impression is being formed that if the Chinese were similar to us, it was previously, before the policy of reform and opening up, but that now, they have already passed this stage and are moving further into a future different from us.

This book hopes to find Belarusian and Chinese similarities. Despite the diversity, the Belarusians and the Chinese are increasingly striving to better understand each other, get closer and build relationships. In 2011, there was a case when, as the commercial counselor, I was conducting difficult negotiations with the Chinese ICBC Bank to finance one of the Belarusian investment projects. An experienced Chinese team followed the standard algorithm worked out in many countries, but at a certain stage, were faced with a tough Belarusian position; "either it will be our way, or we will go to another bank".

4 Introduction

After taking a break, the Chinese bankers returned to the negotiations a few days later, bringing with them a previously unknown Chinese person. We were introduced to each other, and he turned out to be the ICBC Vice President, although he did not oversee our region or our type of operations. As it turned out later, he was specially invited because he (like me) studied in the US, at the Indiana University in 2004. Not far from the building where my economics department was housed, there was his business school, so we could theoretically have intersected at that time, and we now felt some kinship. Based on shared memories, an atmosphere of mutual understanding developed, and my new 'friend' explained to us what the Chinese side was *not* saying, while our logic was explained to the ICBC team. In the end, we came to a deal.

Today the situation is changing. To find similarities, we need intermediaries less and less. Increasing numbers of Chinese people learn the Belarusian language, history, and culture. For example, studies are being conducted in Chongqing on the development of Belarus during the Magdeburg Law period. At Xi'an International Studies University, Chinese students learn the Belarusian language without knowing Russian. Monuments to Yakub Kolas and Yanka Kupala have been unveiled in Tianjin, Xi'an, and Beijing. Over ten centers for the study of Belarus, where Belarusian teachers work, thematic events are held, and Belarusian folk holidays are celebrated, have been opened all over China. In turn, Confucius institutes and classes have been opened in Belarus, monuments to Confucius have been unveiled, more and more Belarusians are learning the Chinese language, and conferences are held in the country to study the experience of the Chinese policy of reform and openness, while the Chinese New Year is also celebrated according to the lunar calendar.

This book is a continuation of Financial Diel² and "Because We Decided So".³ In the first book, solutions to the economic problems of Belarus were sought in economics and public finance, while in the second — they were looked for in sociology and cultural studies. This book presents a search for answers to many questions in home and foreign politics on the basis of the Chinese experience.

This is Different consists of three sections; on Chinese politics, the Chinese economy, and Belarusian-Chinese relations. The first two sections show how topical issues for Belarus are being addressed in China: how centralization of power takes place, how the fight against corruption is conducted, how the country's defense capability is strengthened, and how diplomacy is reinforced. These sections also cover how China pursued a policy of reform and openness, what it does with

inefficient state-owned enterprises, how it builds an IT country, and how it encountered phobias about its 'Belt and Road' initiative related to the 'debt trap', the 'trade deficit', and Huawei. The third section answers the most pressing issues of Sino-Belarusian cooperation today, such as the secret of close (fraternal) political relations between Belarus and China, how Belarus managed to avoid falling into the so-called 'debt trap' of China, what should eventually become the 'Great Stone' Belarusian-Chinese Industrial Park, and how Belarusian exporters will conquer the Chinese market.

This is Different is a riddle book for readers who are invited to find similarities between China in the era of Xi Jinping and Belarus — hidden in the pages — while also seeing how the Belarusians and the Chinese are different.

SECTION 1.

CHINA'S POLICY: "NOT FORGETTING ABOUT THE INITIAL GOAL"

CHAPTER 1

HISTORICAL CONGRESS

On October 18-25, 2017, Beijing hosted the 19th National Congress of the Communist Party of China. Even before it began, the approach of a turning point in the history of China was felt in the Chinese media and in diplomatic meetings. At that time, many were skeptical about this feeling, as well as about any declaration of the historical role of current events. But today, looking back at everything that happened, we must admit that the 19th National Congress really became a landmark. China once again proved that it can make history, and "the best way to predict the future is to create it", as Abraham Lincoln said.

In those days, it was felt in Beijing that something really fateful was happening, and that nothing should stop it. Everyone held their breath. Security measures were increased, with an unusually large number of policemen, armed patrols, and young men in civilian clothes with military embellishment, evident. The streets of the city became half-empty, traffic was limited, delivery of goods was suspended, street trading was curtailed in many places, and large markets and restaurants were closed. Even nature froze, spreading a clear blue sky over the capital — not typical for the normally smog-ridden Beijing. This also stressed the importance of the moment. Such a shining blue sky has always appeared over the capital during major political events when urban industrial enterprises suspend their work.

Tiananmen Square was the first to meet the participants of the 19th National Congress: 2,280 delegates representing 31 administrative units at the provincial level, departments of the Central Committee of the Communist Party of China (CPC Central Committee), central government bodies, state-owned enterprises of central subordination, the financial system, the People's Liberation Army of China (PLA), and the People's Armed Police, as well as members of the Communist Party of China of Taiwanese origin. Leaving their cars and buses on the square, the congress participants crossed the roadway, passing into the monumental building of the National People's Congress (NPC) and found themselves

in a huge columned hall with a five-pointed yellow-red star under the dome, red flags on the stage, and an honor guard along the rows. This hall has always served as the main ceremonial venue for announcing the most important decisions in the history of the CPC and the new China.

Xi Jinping's speech at the opening of the 19th National Congress on October 18, 2017, was historic both in time (205 minutes — the longest in the entire modern history of the PRC) and in content. The Chairman of China announced a new era with the entry of socialism with Chinese characteristics. This was immediately named the "Xi Jinping era". A few days later, on the sidelines of the International Liaison Department of the CPC Central Committee, at a press conference with diplomats and the media, many tried to figure out when the new era had begun in China: was it from the moment it was announced at the 19th National Congress on October 18, 2017, or earlier? The answer was in the title. The era of Xi Jinping means it was at the Party level from his assumption of the position of the Secretary General of the CPC at the 18th Congress, that is, from November 15, 2012, and at the state level, it was from the assumption of the Chairman of the PRC, that is, from March 14, 2013.

By Xi Jinping's rise to power in China, a political system called "Chinese democracy" - an advisory multi-party cooperation led by the CPC - was formed. A multi-party system in China means that, in addition to the CPC with its more than 90m members, there are eight more parties: the China Democratic League (230,000 members), the China National Democratic Construction Association (144,000), and the Jiu San (September 3) Society (132,600), the China Association for Promoting Democracy (129,800), the Chinese Peasants' and Workers' Democratic Party (125,600), the Revolutionary Committee of the Chinese Kuomintang (101,900), the China Zhi Gong Party (38,800), and the Taiwan Democratic Self-Government League (2,600). All these parties have limited rights: they can adopt their own charter, determine the structure, and decide internal party affairs. However, full multi-party co-operation is carried out only through the united front department of the CPC Central Committee.

In this respect, it's important to note that some representatives of the Chinese parties hold leading positions in political and government bodies. For example, the Vice Chairman of the Chinese Peasants' and Workers' Democratic Party, He Wei, is the Deputy Chairman of the Chinese People's Political Consultative Conference (CPPCC), and the Chairman of the China Zhi Gong Party, Wan Gang, is the Minister of Science and Technology. This placing of non-Communists in government posts, like

everything in China, is no coincidence. Before Xi Jinping's coming to power, the possibility of political reform in the PRC to maintain economic growth, including by strengthening other parties, was seriously discussed. A famous supporter of this idea at the turn of the 2010s was the Premier of the State Council of the PRC, Wen Jiabao.⁴ But with the advent of Xi Jinping, the declaration that he was the "core leader" of the party, the strengthening of the role of the CPC, and the tightening of the internal party struggle in the CPC itself, no one dared to raise the issue of strengthening other parties. The 19th National Congress put an end to this issue, at least for the period of Xi Jinping's reign.

The decade before Xi came to power in Chinese politics can be characterized by the relative decentralization of political forces. For example, US experts describe the predecessor of Xi — Chairman Hu Jintao — as *de facto* weakening the centralization of the CPC political power, which strengthened the power in the hands of separate generals, ministers, leaders of regions and large corporations.⁵ This was not the case under Mao Zedong, nor under Deng Xiaoping or Jiang Zemin. The first had absolute power, the second boasted absolute authority, while the third maintained absolute control over the political forces in the country, with the help of secret services. Hu Jintao made economics a priority over politics, so the above-mentioned idea of political reform to boost economic growth was voiced during his time. But later, it began to be perceived not as a force, but as a weakness, and even a threat, to the CPC and all of China.

Let Chinese readers forgive me for the simplification and attempt to fix — through my foreign vision — the forces constantly changing in Chinese politics. But given the variety of English and Russian-language literature on this subject, repeated discussions in diplomatic circles, and plentiful visual evidence, two competitive forces were visible in the political arena of the PRC, and more often. Both of them were, of course, red (communist), but had their own shades. They were somewhat reminiscent of the confrontation between Republicans and Democrats in the United States, Conservatives and the Labour Party in the UK, security officials and liberals in Russia, and the supporters of the idea of a 'besieged fortress' and development, populism and progress. From research by Western, Hong Kong, and Russian sinologist scholars, 67891011 as well as near-party conversations, the following public figures of China can be very conditionally referred to one, or another, force of the CPC.

The first force is the conservatives, the 'neo-Maoists', i.e., active defenders of the old communist ideas of Mao Zedong. Their leaders are

the Secretary of the Chongqing Communist Committee, Bo Xilai (he used to apply for the position of the Secretary General of the CPC and Chairman of the PRC), as well as a member of the Politburo Standing Committee, former Minister of Public Security, Zhou Yongkang.

The second force is represented by liberal reformers, i.e., 'Youth League members'. Their leaders are the previous Premier of the State Council of the People's Republic of China, Wen Jiabao, his successor Premier Li Keqiang, former Vice Premier, and now Chairman of the CPPCC, Wang Yang, as well as Communist Party Secretary of Guangdong Province, now Vice Premier, Hu Chunhua.¹²

Xi Jinping headed the third force. This resulted in the appearance of the centrists with a liberal bias, having a strong 'Shaanxi connection'—the native province of Xi Jinping. For example: Zhao Leji, a native and once the head of the Shaanxi Province; Li Zhanshu, who has worked for five years occupying senior positions in Shaanxi; and Wang Qishan, who began his career in Shaanxi, worked in regions, government, and financial organizations, and then headed the main anti-corruption body and became Vice President of the People's Republic of China; while Liu He—familiar with Xi from childhood—is a graduate of Harvard University, a scholar and economist.

With his rise to power, Xi Jinping immediately launched an anti-corruption campaign, which primarily affected the leaders of the Conservatives: Bo Xilai, in 2013, Zhou Yongkang, in 2014 (the first arrested member of the Politburo of the CPC Central Committee since Mao Zedong), and former member of the Politburo and Aide to the Chairman of the PRC Hu Jintao Ling Jihua, in 2015. They were arrested, and received life sentences. During the first five years of Xi's reign, the CPC experienced a true 'shake-up': party functionaries and government officials of the Chinese provinces were arrested, alongside leaders of more than twenty major state corporations. Moreover, more than 300 'runaway' officials were returned from abroad and punished. Such a tough start to the Xi Jinping era in his first term in office is often seen from two sides.

On the one hand, this can be seen as the centralization of Xi's power. The criteria for corruption are quite high, and while before, they were generally quite conventional, in a new era, everyone could fall under them. With the help of the Central Commission for Discipline Inspection in the CPC (CCDI), which was headed by the above-mentioned ally of Xi — Wang Qishan — centralized control over the entire party began to be established. The centralization of power was also confirmed by the fact

that, upon assuming the post of the Chairman of China, Xi Jinping immediately headed the Central Military Commission, violating the tradition of temporarily retaining this post for the previous Chairman, and also, that he established and headed the Central National Security Commission to coordinate intelligence services.

On the other hand, an anti-corruption campaign can be viewed as a strengthening of the rule of law. Of course, one cannot reduce all of Xi Jinping's actions to competition in the CPC and centralization of power. These could simply be methods and side effects when building a new order. At the beginning of Xi's path in power, the inertial transition to a 'western' political system was still not ruled out. In the first years of Xi's reign, it began to seem that, with the strengthening of the rule of law, the next logical step would be judicial reform, with the independence of the judiciary and its removal from the influence of the CPC, which would lead to a deformation of the role of the party. But official rhetoric did not clearly confirm this, and was very vague regarding this issue. In practice, old informal rules and ties were destroyed faster than new formal ones were formed. As a result, strengthening the rule of law without a new goal setting began, seemingly to an outside observer, to create conditions for arbitrariness in the framework of the anti-corruption campaign and political uncertainty.

The 19th CPC National Congress put everything in its place. "Loyalty to the original idea" was a keynote in Xi Jinping's speech at the opening of the Congress, thus destroying the last doubts about the viability of the CPC, and the expectations of the transformation of 'Chinese-style democracy' into a liberal-democratic 'western' model. Moreover, the Congress experienced not so much the ceremonial revival of the CPC, but its ideological victory, though not over the West, but over the USSR, which doubted Marxist ideology.

Remarkably, in May 2018, China widely celebrated the 200th anniversary of the birth of Karl Marx, though the events in this regard were much more modest in his homeland, Germany, and in Post-Soviet Russia. Discussing the political turn towards Marxism, with Chinese scholars on the sidelines, I heard a lot of sighs and skepticism: will the European ideology of the 19th century coexist in pragmatic China in the 21st century? Won't a Marxist utopia undermine its connection with reality? But officially, in the PRC there was an unshakable unequivocal belief that the end of history did not come with the collapse of the USSR (according to Francis Fukuyama). Moreover, a new era had begun in China.

What is its essence? In his speech at the opening of the Congress, Xi Jinping called it "the great revival of the Chinese nation". The following goals were announced: to build a society of 'middle incomes' by the 100th anniversary of the CPC (2021), and to create a rich, strong, and modernized state by the 100th anniversary of the PRC (2049). The ability to achieve these goals was not in doubt. All participants in the Congress felt that they belonged to something great and unique: the Chinese nation. This new spirit of Chinese nationalism permeated and united everyone in the hall. During his speech, Xi called China a "great power" 26 times, with no other country being mentioned. The 'Chinese model' of development was presented for the first time as 'exemplary' for developing countries.

The era of Xi Jinping was named as the third in the history of new China. The first was Mao Zedong, while the second is connected with Deng Xiaoping. Each of the first two lasted about 30 years. Of course, it's possible to launch a historical debate about the role of other Chinese leaders, for example, Jiang Zemin, or Hu Jintao. But all of them, to one degree or another, are followers of the directions set by Mao and Deng. It is also important that Xi Jinping became the first leader in China over the past 25 years, whose candidacy was not agreed by Deng Xiaoping. Despite the official division of the history of new China into three eras, they do not contradict, but complement each other, being within the same course of the party, although boasting their own differences.

The first era of Mao Zedong (1949–1978) represents the "establishment of independence of China". This is a very ambiguous period in the history of China.

Emotionally, the era of Mao is negatively perceived, due to the imposition of the dictatorship of the CPC, planned economy, expropriation of land, prohibition of private property, the policies of the Great Leap Forward, the Cultural Revolution, and the largest famine in the history of mankind. That period claimed the lives of, according to various estimates, from 30m to 45m people. 14,15 It is no coincidence that many white spots can be found in Chinese museums in that period of history, and Chinese guides are moving away from answering direct questions on this topic.

Rationally, relying on economic indicators, that period had insignificant, but still positive, results. For example, per capita income in China grew from \$450 in 1949 to \$850 in 1976. By 1978, China's share in the world's GDP and world trade reached 1 percent. Mortality declined, especially among children. Literacy improved, particularly among women.

But how to generally evaluate that period and compare the emotional with the rational if the victims numbered millions (or even one person)? In China, it is generally believed that Mao Zedong (like Stalin) was 70 percent right and 30 percent wrong. Shortly before his death, Mao named two main achievements of his era: the first was the victory over the opposition and the Japanese, while the second was the victory over culture. After the death of Mao Zedong in 1976, his era lasted for only two years in China.

The second era, of Deng Xiaoping (1978–2012) represents "the prosperity of China". This is a relatively more unambiguous period. It will be remembered as the largest overcoming of poverty in the history of mankind, a combination of party monopoly in politics, with liberal reforms and openness in the economy. According to Henry Kissinger, Deng Xiaoping was able to fulfil the main task of the leader of the nation: "to lead people from where they were to where they had never been, showing a vision of the future and courage to follow this path".¹⁷

Meanwhile, the era of Deng Xiaoping also had white spots, in the form of the tragic events of 1989 in Tiananmen Square, where, according to various estimates, from 300 to 10,000 people died. This confirmed that the political system in China is untouchable, and rather, that the economy serves to strengthen it, and not vice versa. To overcome the consequences of those events, Deng had to restart economic reforms, having made a famous tour in the southern provinces in 1992. The Deng Xiaoping era not only existed for 15 years after his death in 1997, but also laid the foundations for economic development for the period of Xi's reign.

The third era, of Xi Jinping (since 2013), is "the great revival of the Chinese nation". Taking into account that this is the current period, it is less clear so far. China passes this stage with elements of power and an economic path which were quite clearly voiced at the 19th Congress.

One way is that of the strong power. This is realized through the mobilization of associates and struggle on various fronts. In Chinese tradition, this corresponds to the military rule of the country during the continental Qing Dynasty (1644–1912). The new era in modern China recalled that period. For example, shortly before the 19th Congress, another landmark event occurred in China which changed the traditional course of such congresses. In July 2017, the Communist Party Secretary of Chongqing, Sun Zhengcai — appointed directly by Xi Jinping and replacing the convict Bo Xilai — was arrested; he was the applicant for membership of the Politburo (he was supposed to be admitted at the

19th Congress) and for the post of the Premier of the State Council of the PRC in 2022. This was another signal indicating that the anti-corruption struggle is a peculiarity of a new era.

In such an atmosphere, the words of Xi Jinping at the opening of the 19th Congress on the fight against corruption sounded real and frightening. The same could be said of his speech relating to ensuring public safety and countering 'color revolutions'. The power characteristic of the new era was stressed internally and to the public. Against the background of the military reform taking place in China over five years, a warning was voiced at the 19th Congress that it was necessary to be prepared for armed conflict.

Another way is economic. In China, this is the so-called 'Shanghai way' of the country's rule, corresponding to the period of the oceanic Ming Dynasty (1368–1644). During the opening of the 19th Congress, Xi Jinping identified the following priorities: poverty eradication, risk management (referring to problems in the banking sector, an overheated real estate market, and high corporate debt), stimulation of innovations and consumption, improving the situation in rural areas, solving environmental problems, and improving the healthcare system.

The rhetoric of 'economic reforms' — popular for many years — sometimes began to be replaced by 'economic transformations' but preserved its progressive sound. At the same time, the word 'reform' was voiced 71 times during Xi's speech. A special role in the new era was assigned to state enterprises and increasing their efficiency; meanwhile, it was also promised to support private business.

On October 24, 2017, the 7th day of the Congress saw the second most important event after Xi Jinping's speech and his announcement of a new era: the amendment of the CPC Charter. A key amendment was the inclusion in the Charter of the name of Xi Jinping, and his idea of the introduction of "Socialism with Chinese Characteristics for a New Era". The ideology of Xi Jinping in the Charter was equated with Marxism-Leninism, the ideas of Mao Zedong, the theory of Deng Xiaoping, the ideas of the Three Represents (put forward by Jiang Zemin in February 2000, but without mentioning his name in the Charter) and the scientific concept of development proposed by Hu Jintao in October 2007 (also without mentioning his name).

Thus, Xi Jinping became the second leader of the CPC after Mao Zedong, whose ideas were included in the CPC Charter during his time in power (Deng Xiaoping's theory was included in the Charter only after his death). Moreover, the merits of Xi Jinping, unlike Mao Zedong, were

recognized in just five years of his work, and in peacetime. The main point of the new amendment was actually the identification of Xi Jinping with the Communist Party of China, which separated him from other members of the CPC; potential political rivals.

Another historic amendment to the Charter of the CPC was a written confirmation of the preservation of the absolute leadership of the Communist Party over the Armed Forces of China: the People's Liberation Army, and other paramilitary groups. The Armed Forces of China had a goal: to be able to effectively carry out missions and tasks in the new era.

The historical significance of this amendment is that China, always looking back at the USSR, saw the insufficient control of the armed forces by the Communist Party of the Soviet Union as one of the reasons for its collapse, which led to the failure of the plan of the Soviet security forces to save the USSR, with the help of the 'August Coup' of 1991. Now, the armed forces of the PRC have become ideologically subordinate to the CPC.

It is worth noting here, that the collapse of the USSR became a kind of ideological trauma for the leadership of the PRC, which supports this phobia of the collapse of the party and state among the population. For example, in August 2016, China hosted a series of creative meetings with the Belarusian writer and Nobel Prize laureate in Literature, Svetlana Alexievich, known for her images of the 'red man', who is perceived in western consciousness as very critical. Nevertheless, the works of Alexievich are translated into Chinese, and are widely distributed in China. Posters featuring her photo occupied a central place in Chinese bookstores, including at Beijing Airport, at the end of 2016. The reason for such attention to her is that through her books (especially Second Hand Time), the Chinese will learn the horror stories of the collapse of the USSR, and the real tragedy for the people, which could not be compensated for in any way. This supports the atmosphere of a new era in China, in which the CPC is inseparable from the country, and its leader is inseparable from the CPC, so if it's bad for the party then it will become bad for everyone.

On October 24, 2017, at the 19th National Congress, the composition of the Central Committee of the CPC was updated by more than half: these included 204 members of the Central Committee and 172 candidates for members of the Central Committee, as well as the Central Commission for Discipline Inspection. On that day, one of the main intrigues of the congress was revealed — whether 69-year-old Wang

Qishan, the Head of the Central Committee of the Communist Party, would fall into this list, which would violate the pension rule for this level of public figure (68 years) and would provide a reason for Xi Jinping to go on to a third term (in 2022, he will also be 69 years old). Wang Qishan was not on the list. The pension rule has been formally observed, but at the time the intrigue about Xi Jinping's long-term intentions and the future fate of Wang Qishan remained.

The next day, on October 25, 2017, at the first plenum of the Central Committee of the CPC of the 19th convocation, a new composition of the governing bodies of the Communist Party of China was elected. This turned out to be the most unpredictable composition of the Politburo Standing Committee of the CPC Central Committee. For the first time, there was a general feeling of mystery. No applicant (except for the first person) knew if they would be on this list, until the last moment of the announcement. This was the second time in the new history of China, since November 2012, when few could say anything concrete about the seven new leaders.

Another peculiarity of the new composition of the Politburo Standing Committee of the CPC Central Committee was that the question of the future succession of personnel remained open. It did not include leaders who, after five years, had not reached the age limit (68 years), and who could be considered as possible candidates for the post of Secretary-General at the next 20th National Congress in 2022.

Moreover, out of seven members of the Politburo Standing Committee of the CPC Central Committee, only two (Li Keqiang and Wang Yang) belonged to the so-called 'Youth League' group. In turn, three so-called associates of Xi Jinping (Li Zhanshu, Wang Huning, and Zhao Leji) were included in the Politburo Standing Committee of the CPC Central Committee, and in March 2018, were appointed to key positions. The government was also strengthened by economist Liu He, who was Xi Jinping's economic adviser.

Thus, seven new members of the Politburo Standing Committee of the CPC Central Committee, led by Xi Jinping, took to the stage in a certain hierarchical order, to the flashes of cameras and the standing applause of the National People's Congress. The next day, *The People's Daily* print edition published self-explanatory historical photographs. And if, in previous years, the first page had shown photos of the same size of each member of the Politburo Standing Committee of the CPC Central Committee, this time the editorial had a close-up photo of only one person, whose name heralded the new era in China.

At this, the 19th National Congress completed its work. Everyone breathed a sigh of relief. Businesses, markets, and restaurants resumed their work in Beijing. The traffic again intensified on the streets, with traffic jams and smog. But, despite previous appearances, China lived in a new era, and, as it turned out, had done so for five years already.

The main drawback of the historic Congress was in the unpredictability of the staff of the Politburo Standing Committee, and in the predictability of creating conditions for the indefinite reign of the PRC Chairman. Xi Jinping turned the main issue of whether he would break the pension rule, and thereby go to a third term, to his advantage. He actually sacrificed 69-year-old Wang Qishan, removing him from the CPC Central Committee, but also appointing all members of pre-retirement age to the Politburo Standing Committee of the CPC Central Committee. Thus, Xi Jinping actually deprived himself (and the Premier of the State Council) of obvious successors from among the members of the Politburo Standing Committee of the CPC Central Committee to 2022.

Uncertainty has arisen — not peculiar for China — around what will happen next, or rather who will lead the country in five years' time. However, given the increasing role of the CPC in all spheres of life, and the identification of Xi Jinping with the Communist Party, the prevailing uncertainty opened up the possibility of changing the rules of the political game and moving to termless rule.

In practice, termless rule is not a goal in itself. It proceeds from an internal conviction, which serves as a condition for solving other problems. Nevertheless, the logic of such a political system, built over a long time and centrally under one personality, creates uncertainty in the prospects for the political party, movement (or even the country), which begins to be identified only with its leader. Inevitably, the mechanisms of checks and balances are erased, thus creating an atmosphere of constant consensus — favorable for failures and mistakes - as well as inertia, fear of change for the administrative apparatus, and shifting responsibility for all decisions to the leader.

The idea of Xi's termless rule appeared for the first time in 2013, immediately on his coming to power and with the beginning of a merciless anti-corruption campaign. Then it seemed almost necessary to ensure personal security in order to avoid a review of judicial decisions and political revenge. Another hint of Xi Jinping's political longevity was the scale of his initiatives: 'The Chinese Dream' national idea and the 'Belt and Road' geopolitical initiative. They require time for implementation, so this positions Xi as a great leader, destined for longevity.

The ideological preparation for Xi's termless rule began in 2016, when he was declared the "pivotal leader around whom all members of the CPC should rally", which put him on a par with Mao Zedong and Deng Xiaoping. The historic 19th National Congress removed the intrigue around the successor to Xi Jinping. There was no obvious heir, like Hu Jintao, or like Xi Jinping himself had been. Potentially, it could be the Secretary of the Guangdong Provincial Party Committee from among the Youth League members, Hu Chunhua, who, after the 19th National Congress, did not receive the position of Deputy Chairman of the People's Republic of China (traditionally leading to the post of the country's leader), but became only Vice Premier.

The New York Times Publishing House ironically called the 19th National Congress the "coronation" of Xi Jinping, rather than his technical transition to a second term in office.¹⁹ Together with Xi (more precisely after him), the CPC received virtually termless rule at Congress. This was also facilitated by the idea of the great revival of the Chinese nation, which is designed to rally the Chinese population around the CPC. Less than five months after the 19th Congress, the possibility of termless rule for the PRC Chairman was enshrined in law.

On March 11, 2018, deputies, as part of the so-called 'Two Sessions' of the National People's Congress and the 13th CPPCC National Committee, held from March 3-20, 2018, approved amendments to the Constitution of the PRC. The phrase that the PRC Chairman and his deputy "can hold no more than two consecutive terms" was removed.²⁰ This enables Xi Jinping to be re-elected in 2022, and beyond.

The legitimization of termless rule has destroyed the formats of staying in power for no more than two terms (of five years each). These formats were sometimes considered by western experts as the main reasons for long-term political and social stability in China. The world community (media and experts) generally accepted this decision as the final refusal of the PRC to build a traditionally western system of democracy.²¹ At foreign policy level, the decision was commented on very correctly as "logical" and "interesting", and Xi Jinping as a "strong" and "authoritative" leader. For example, US President Donald Trump, speaking in Florida, called the idea of removing time restrictions for the period of the Chinese leader's tenure "great".²²

A week later, on March 18, 2018, Wang Qishan — who retired after the 19th National Congress in October 2017 at the age of 69 — was returned to power and appointed Deputy Chairman of the PRC. On the one hand, this showed the importance of bringing in a new era of persons

trusted by Xi Jinping. On the other, it demonstrated that the main political rules in the country are now established only by its leader. In this regard the new era recalled the times of Mao Zedong, who made history himself, and controlled the political situation in the country, not allowing himself to fall into the trap of party rules and norms.

In general, the Two Sessions of the National People's Congress in March, and the CPPCC National Committee, launched the practical implementation of the instructions given by Xi Jinping at the 19th Congress in October. On March 13, 2018, the reform of the state apparatus was announced during the Two Sessions. It determined five priorities for the new era, and identified the authorities responsible for their implementation. Now it was no longer political rhetoric, but a concrete direction of change in China that would define a new era, and, in one way or another, the life of every resident in the country.

The first is the fight against corruption. On the basis of the omnipotent Central Commission for Discipline Inspection in the CPC, as well as by combining the Ministry of Control of the PRC and the National Bureau of Corruption Prevention, the National Supervisory Commission was established, as a super-agency to combat corruption. It began to combine the functions of party and civil oversight commissions, as well as those of the prosecutor.

The second is military reform. Taking into account the reduction of the People's Liberation Army (PLA) troops by 300,000 people (13%), the Ministry of Veterans' Affairs was set up. It is responsible for the administration of pensions, allowances and benefits for veterans, former military personnel and their families, as well as the training and employment of those discharged from the army. In addition, in order to remove non-core functions from the PLA, the Ministry of Public Security and other departments, the Ministry of Emergency Management was established. It deals with the prevention and elimination of emergencies, natural disasters, and industrial accidents.

The third envisages strengthening of foreign policy. Foreign Minister Wang Yi received the status of Member of the State Council of the PRC. Under the State Council of the PRC, the China International Development Cooperation Agency was created. It is responsible for implementing policies and reforms in the provision of external assistance. In particular, in order to strengthen the 'soft power', cultural influence and support of tourists abroad, the Ministry of Culture and Tourism was created by combining the Ministry of Culture and the China National Tourism Administration. The State Immigration Administration was set up for