

China Politics Update – November 2014

China's top leaders wrapped up their four-day Fourth Plenum on 24 October. The theme was "Ruling China according to the law". A few key decisions include: the Supreme Court in Beijing will set up circuit courts to hear cases which cross administrative regions. This should **reduce potential for interference by the local governments**. At the same time, the government said it will try to recruit "lawmakers, judges and prosecutors who are qualified lawyers and law experts" rather than select officials based on loyalty. To promote accountability, **officials will now be assessed in their delivery of "Rule of Law"**, and a system will be established to keep a record of officials interfering with judicial cases. A "**lifelong responsibility system**" will hold officials to account for major policy decisions. Overall, these reforms are about **improving government efficiency** and improving legal support for the market regulatory environment. The extent to which they will boost confidence among businesses and investors will probably depend on how forcefully reforms are implemented.



As part of the ongoing crackdown on corruption, the Plenum passed the examination report of the Central Discipline Inspection Committee and **expelled six senior officials from the Party**, including former Vice Minister of Public Security Li Dongsheng, former head of the state asset regulatory body Jiang Jiemin and ex-deputy head of state energy giant China National Petroleum Corporation Wang Yongchun, former deputy party chief of Sichuan Li Chuncheng, former Mayor of Guangzhou Wan Qingliang and former Deputy Commanding officer of Chengdu Military Region Yang Jinshan. However, the leadership remained silent on the fate of former security czar Zhou Yongkang.

A state banquet was held in Beijing to mark the 65th anniversary of the founding of People's Republic of China. Together with current Politburo Standing Committee members, many retired senior officials also attended, including former presidents Jiang Zemin and Hu Jintao. Both sat beside

Party General Secretary and President Xi Jinping, **emphasising Party unity** against the background of speculation that the former General Secretaries are at odds with Xi Jinping over his anti-corruption campaign. 1 October also marked the first day of the week-long national "Golden Week" as millions hit the road for holiday. An increasingly number of people chose to travel overseas than visiting domestic sites. Accordingly to official statistics, Hong Kong was the most popular destination as 970,000 mainland tourists visited the city during the week, a 5.4% rise year on year.

As mainland China embarked on national day celebrations, tens of thousands in Hong Kong joined the "Occupy Central" protest blocking streets in several areas in support of a more democratic election system. Beijing has defended its proposed electoral framework, which would allow the city's 7 million residents to pick their next leader from a pre-vetted pool of candidates. The People's Daily published an editorial labelling the protest as an "illegal assembly" and said the protest has gravely disturbed public order and affected Hong Kong's economy. Latest UK government statements on Hong Kong can be found here.

Echoing a famous speech by Mao Zedong in Yan'an in 1942, President Xi addressed a group of leading Chinese artists, writers and performers at a Forum on Literature and Art, calling on them to use their talents to serve the nation. Xi urged creative figures not to pursue commercial gain at the expense of artistic and moral value: "Works of art should present patriotism as the main theme and foster correct viewpoints of history, nationality and culture, as well as strengthen pride in being Chinese".

Premier Li Keqiang paid an official trip to Europe 9-18 October, visiting Germany, Russia and Italy. Li held talk with German Chancellor Angela Merkel, pushing forward the "all-around strategic partnership". The two countries inked \$1.8 billion worth of trade, investment and technological cooperation deals. The Premier vowed to deepen cooperation with Russia in nuclear power and energy and advance the establishment of a Eurasian high-speed transport corridor linking Beijing and Moscow. In a speech at the headquarters of the UN Food and Agriculture Organization, Premier Li said China will donate \$50 billion in the next five years to support hunger relief and poverty reduction.

Finally, pollution returned to Beijing as the official air **PM 2.5 quality index reached hazardous levels**. On 25 October, 30,000 runners took part in Beijing's marathon with many wearing face masks. Internet users criticised the organisers for not rescheduling the race and for putting participants' health at risk. With less than a week until the Asia Pacific Economic Cooperation (APEC) summit, authorities have imposed a rule ordering drivers to use their vehicles only on alternate days to reduce traffic during the summit. Meanwhile, **authorities in Hebei province will temporarily close more than 800 polluting factories** and nearly 900 construction sites for almost two weeks to help clear the air for the APEC meeting.

Enquiries and feedback are welcome. Please contact:

 $\textbf{Nick Douse} \mid Political \ Section \mid nicholas.douse@fco.gov.uk \mid +86(0)10\ 5192\ 4220$

Stephanie Shi | Political Section | shi.zhenyi@fco.gov.uk | +86(0)10 5192 4492