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Robert Lawrence Kuhn, international corporate strategist, investment banker, China political and economics commentator, and expert on the China business market.

HOST: China's new leader, Xi Jinping, says his government will fight for a better life for his people. A carefully choreographed Party Congress culminated in his appearance a few hours ago. At the head of a new Politburo Standing Committee, made up of seven men, he said the Communist Party had to tackle corruption and be more in touch with the people. Joining me now from Beijing is Robert Lawrence Kuhn, an advisor to the Chinese government and author of How China's Leaders Think. I'm interested to ask you, first of all, what is this new leadership like, and how do they think?



KUHN: First of all, we need to understand what is the Standing Committee of the Politburo. There are seven members. It may seem like an American or British cabinet, where the president or prime minister has the authority to hire and fire whomever he wants at his whim and caprice. And that's absolutely not the case here. Each of these Standing Committee members is a power in his own right, and only the collective can change or remove any of them. So the highest-level member, the general secretary of the Party/CPC, Xi Jinping, cannot change any of the other members. So who they all are – what's their composition, what are their backgrounds – is vital to understand so that we can know how they think and how China will be led. And, if we look at these men now, we'll see that six out of seven have run at least two major provinces or major cities, which would be the equivalent, if they were independent nations, of one of the top 20 nations of the world in terms of population and one of the top 30-35 nations in terms of GDP. So the members of the new Politburo Standing Committee have a great deal of executive administrative experience. That's the first thing to understand.



In Xi Jinping's opening speech today, there were some intriguing signals that were sent. First of all, for those of us who watch these nuances, there was almost no political sloganeering, the ceremonial mantra of the historical progression of political philosophies at the heart of Communist Party ideology, almost nothing of that nature. On the other hand, Xi spoke significantly about reform, and about promoting 'advanced productive forces' – that's a signal word meaning knowledge creators and wealth creators. And then, of course, the very public focus on corruption. Xi's friendly personal, intimate style – which is no accident – also sends a signal. So we hope that this is a real indication of the new leadership under Xi Jinping, how he thinks. The new collective leadership has a wealth of real-world managerial experience, which they will need to deal with China's very serious, and indeed, in some cases, intractable problems.



HOST: The Politburo Standing Committee has gone down in number, most noticeably, from nine to seven. What difference do you think that makes? Does that make them less representative of the rest of the Party?



KUHN: First of all, we should understand the history. The Politburo Standing Committee was increased to nine members in 2002, 10 years ago. Prior, it had seven members, as it has now, literally as of today. Membership had been increased to nine because, frankly, there was political wrangling, and so in order to accommodate both sides, they increased the number. The sense is that nine members was too unwieldy, because each member is an independent power center. Everything in China, without exception, reports to one of the Standing Members. And so the more members there are, the more difficult it is to effect checks and balances, because each member is an independent power center. Shrinking the Politburo Standing Committee gives Xi Jinping more control. Here's a critical question to track: How will this Standing Committee enable Xi Jinping to exert his leadership?



HOST: Thank you so much, Robert Lawrence Kuhn.