



**Center for Global & Strategic Studies
Islamabad**

In-House Discussion Report

**“President Xi Jinping’s Second Tenure: Challenges and
Expectations”**

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On 24th November 2017, an In-house discussion was held at CGSS to discuss “President Xi Jinping’s Second Tenure: Challenges and Expectations”. The event was chaired by **Ambassador Amjad Majid Abbasi – Senior Member Advisory Board CGSS**. The session was attended by following dignitaries:

- Professor He Bin (Chief of Bureau, Chinese Guang Ming Daily)
- Major General Syed Khalid Amir Jaffery HI(M), (Retd) – President CGSS
- Major General Hafiz Masroor Ahmed (Retd) – Vice President CGSS
- Lieutenant General Sardar Mehmood Ali Khan HI(M), (Retd) - Member Advisory Board CGSS
- Mr. Ashfaq Ahmad Gondal - Former Federal Secretary and Member Advisory Board CGSS
- Brigadier Bilal Akbar (Retd) - Member Advisory Board CGSS
- Mr. Tauqir Ahmed - Member Advisory Board CGSS
- Major Azhar (Retd) - Member Advisory Board CGSS
- Mr. Khalid Rahim - Member Advisory Board CGSS
- Lieutenant Colonel Khalid Taimur Akram (Retd) – Director CGSS



Professor He Bin - Chief of Bureau, Chinese Guang Ming Daily

The central agenda of the discussion was the Chinese President's re-election as the President and his vision of ushering the new world order which is based on sustainable development across the globe through Chinese success model. During the session, the participants discussed various impediments to Chinese President's vision of Belt and Road Initiative (BRI), implications on Pakistan, the region and the wider world. Furthermore, the panel also gave series of policy recommendations which needs conscious attention in order to overcome various impediments to President Xi's vision.



While providing the analyses of Xi's vision, Mr. He Bin started his address by explaining the basic components of Chinese political hierarchy and future objectives. The theme of Mr. He Bin's speech was "Xi Jinping: The Orientation of China's future Policy in the 'New Era'".

On the occasion of APEC summit (November 10, Vietnam), Xi Jinping, in his keynote speech underlined the Chinese vision of the world by stating that:

"Seizing the Opportunity of World Economic Transformation and Seeking Greater Development for Asia-Pacific", elaborated China's policy orientation in the "new era".

Mr. He Bin's address comprised of the following five main components which reflects Xi's Jinping's vision as outlined in the recently held 19th National Congress of the Chinese Communist Party (CPC) in 2017:

1. Beginning with the first step, Mr He Bin stated that President Xi envisions to comprehensively deepen the reform process and favors continuing with the vital development projects (such as Belt and Road Initiative) :
 - a. ***Problem-oriented:*** President Xi's vision is to resolutely break away from all untimely ideological concepts and disadvantages of institutional mechanisms, break through the barriers of interests, and stimulate the creativity and vitality of the entire society.
 - b. ***Institutional System:*** To ensure the long lasting effects of reforms, the system of complete

structure, scientific norms and effective operations will be constructed and the state governance system and the modernization of governance capacity will be continuously promoted.

- c. ***Extensive reforms:*** China will have more extensive reforms, more moves and stronger efforts.

2. Secondly, advancing with the times and innovate the mode of development:

- a. ***Carrying out the concept of new development:*** Insisting on quality first, giving priority to efficiency and building a modern economic system.
- b. ***Take the supply-side structural reform as the main body:*** In this regards, President Xi believes that conscious efforts should be made to strengthen the industrial system which can make the coordinated development of physical economy, science and technology innovation, modern finance and human resources. Furthermore, efforts should be made to strengthen the effective market mechanism, the vitality of the micro-entities, and the macro-economic control of the economy so as to continuously enhance economic innovation and competitiveness.
- c. ***Deep economic integration:*** cultivating new growth momentum in the fields of digital economy, shared economy and clean energy.
- d. ***New pathways for integration:*** Xi's visionary leadership seeks to explore new mechanisms and new paths for coordinative development in the region. Furthermore, efforts to vigorously promote the coordinated development of regions of Beijing, Tianjin and Hebei; and the development of the Yangtze River Economic Belt, and build the Xiong'an New District, Guangdong, Hong Kong and Macau's Da Wan District is underlined to enhance the domestic integration and trade development. In addition, building a world-class urban agglomeration and create a new pole of economic growth may be initiated. Furthermore, sharing the benefits and letting more countries take the express train of China's development.

3. Third, to further improve ties with the world and develop a higher-level open economy following steps need to be undertaken:

- a) ***Further promote the "Belt and Road Initiative":*** President Xi Jinping's landmark BRI

project and CPEC as a flagship project is an extension of his future developmental program. China will work with other countries in the world to increase new momentum of common development.

- b) **Trade Liberalization:** Implementing a high level of trade and investment liberalization and facilitation policies will be undertaken. Furthermore, substantially easing market access and opening up the service sector to the outside world while safeguarding the legitimate rights and interests of foreign investment will also be prioritized.
 - c) **Free Trade Agreements:** To further enhance the free trade, the goal is to accelerate the negotiation of Free Trade Agreements (FTA) and Investment Agreements with relevant Countries. In addition, promoting the Construction of an FTA of Asia Pacific may be undertaken. Highlighting the importance of such mechanism to integrate the economies he said that steps are required to promote the early Conclusion of the Regional Comprehensive Economic Partnership (RCEP) Negotiation and establish a “Free Trade Agreement network in the World.”.
 - d) **Current Economic Standing and future:** In the past four years, China's economy grew at an average rate of 7.2%. Its average contribution to world economic growth exceeded 30%, becoming the major source of power for the world economy. In the next 50 years, China will import 24 trillion U.S. dollars of goods, absorb 2 trillion U.S. dollars of overseas direct investment, and its total foreign investment will reach 2 trillion U.S. dollars.
4. Fourth, people are the center of governance, letting the people go toward a better life by enforcing prudent policies for their benefit:
- a) **Safeguarding and Improving People's Livelihood in Development:** The goal of Chinese development is well being of the people. Therefore, on social agenda, China seeks to constantly meet the people's growing needs for a better life, and constantly promoting the social fairness and justice.
 - b) **Continuing to Poverty Alleviation and Precise Poverty Alleviation:** In the past five years, more than 60 million poor people have steadily escaped poverty. To achieve the goal of poverty eradication (As current rural poor standard is less \$400 per people/year) in China by 2020.
 - c) **Speed up the System Construction of Ecological Civilization:** Mr. He Bin quoted that by

2035, the ecological environment of China will basically be improved and the beautiful China goal will be achieved.

- d) ***Actively Address Climate Change:*** Emphasizing the importance of environmental protection, it is observed that China's carbon dioxide emissions will reach its peak around 2030 and strive to reach its peak as soon as possible. To mitigate the negative impacts, the share of non-fossil energy in present energy consumption will reach about 20% and gradually increased environment friendly energy mix will be promoted.
5. Fifth, promote the building of a new type of international relations and promote the building of a community of human destiny
- a) ***Stick to the Road of Peaceful Development:*** Highlighting the importance of peace and stability, it was remarked that China aspires to be the anchor of peace and stability in the world and the Asia-Pacific Region in particular.
 - b) ***Sharing the Benefits of Growth:*** Mr. He Bin reiterated Xi Jinping's belief of common progress and mutual sharing. In this arena, China wants to uphold the correct view of righteousness and benefit to all while actively developing the global partnerships, expanding the mutual interests with other countries and promote the building up of international ties based on "mutual respect, fairness and justice, and win-win cooperation".
 - c) ***Win-Win Cooperation for all:*** Commenting on the Adherence to the concept of "negotiating together, building up together and sharing benefit together" Mr He Bin highlighted renewed focus of Chinese leadership on actively participating in the reform and construction of the global governance system as well as promoting the development of a "new international political and economic order" which is "more just and reasonable".
 - d) ***Chinese Ideals:*** Mr. He Bin narrated Chinese President's vision in which, China will, with greater efforts, join hands with all parties to build a world of "lasting peace, universal security, common prosperity, openness and inclusiveness, cleanliness and beauty".

Ambassador Anjad Majid Abbasi - Member Advisory Board CGSS (Chair of the Session)

- The former ambassador remarked that there are three powerful institutions in Peoples Republic of China; Communist Party of China, Peoples Liberation Army and the President.
- Mr. Xi Jinping is the most powerful President in China's history after Chairman Mao and Deng Xiaoping.
- Acknowledging the achievements of all the Chinese leaders it was mentioned that each were essential in their own particular way. For Instance Chairman Mao contributed with the establishment of the modern Chinese state, while, Deng Xiaoping opened up the Chinese economy leading to the current prosperity and expanding Chinese clout across the globe. President Xi Jinping has initiated new reforms which includes Belt and Road Initiative (BRI) that has been made part of the constitution. Hence, he gave the future direction to the Chinese nation on how to proceed further.
- The former ambassador was of the opinion that President Xi's vision has sent shockwaves across the globe. Therefore, some media outlets have casted doubts on its pragmatism however such news are mere propaganda and speculation based on the acrimony for China's amazing rise as a major power. This notion is evident in biased media reporting from new outlets with ulterior motives.
- Ambassador Abbasi discussed possible impediments to China's progressive vision from various circles. He particularly mentioned the US as the force which may try to challenge Chinese ascent to global prominence. He further elaborated that such moves are bound to fail as they cannot apply break to their own continuously plummeting global standing.
- The former ambassador was of the opinion that the leadership of China should face a challenge to enhance the value of currency and bringing it at par with the US currency so that people have a free choice to choose between them for international trade and transactions as alternative. If such a milestone can be achieved, it will have immense positive outcomes for China and the entire world.



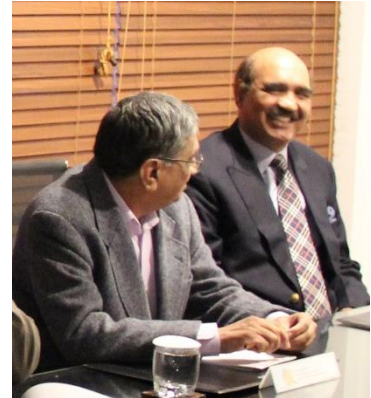
Major General Syed Khalid Amir Jaffery, HI (M), (Retd) – President CGSS

- The President of CGSS Maj Gen Syed Khalid Amir Jaffery, HI (M), (Retd) addressed the participants of the session with warm welcome all. He was of the opinion that Chinese ascendance as an alternative force to the US has positive outcomes for the entire world. Identifying the Belt and Road Initiative as a significant project for the entire world, he remarked that CPEC is the flagship project under this scheme which will benefit not only China and Pakistan but the entire world. He enlightened the audience about the significance of integration as 65 countries will be included in it. Furthermore, he believes that Brexit is an opportunity for China to rope in London in BRI.
- Shedding light on the possible threats to the Belt and Road Initiative (BRI), General Jaffrey said that the US and India will try to upset the progress through applying different tactics as this project is perceived as contrary to their interests of creating hegemony in the region. He gave the example of active Indian support to ETIM insurgents in Xinjiang.
- Giving an indication of possible flashpoint in Africa for Chinese interests, he was of the opinion that the US military presence in Africa needs to be analyzed for their goals.
- He mentioned that China is introducing a new economic world order and history tells us that whenever a new order is introduced in the world there is bound to be conflict, the effects of which can encompass the globe. We need to analyze the international situation carefully while formulating our responses.



Lieutenant General Sardar Mehmood Ali Khan HI(M), (Retd) - Member Advisory Board CGSS

- On the topic of inter-state rivalries, the former general approved of the notion that a fifth generation warfare is taking place in South and South East Asia by India and US to disrupt China's Belt and Road Initiative.
- He appreciated China's marvelous rise through its soft power and continuous reforms. He believes that if China overcomes impediments from the adversarial forces, it will continue to prosper.



Mr. Ashfaq Ahmad Gondal – Former Federal Secretary and Member Advisory Board CGSS

- Mr. Ashfaq Gondal appreciated Chinese President Xi Jinping's creative way of dealing with problems such as identifying the contradictions (problems) in society and its removal by streamlining it with the ground realities to find a durable solution.
- He elaborated a firm conviction that Taiwan should be a part of China as it is an integral part of China. He cited example of Hong Kong as China waited for many years but finally it became part of Chinese mainland once again.
- Highlighting the importance of China in Indian Ocean, he remarked that no Indian Ocean policy can be durable unless China is an integral part of it.
- In his view, China's increasing military and economic clout is perceived as a threat to the US interest.
- Underlining the negative role of the US in the Middle East he remarked that arms supply to different gulf countries and non-state actors has destabilized the region. Comparing this interventionist policy to Chinese soft power he was of the opinion that China has excelled in maintaining its eminence in the world through such successful policies which has positive outcomes for the world unlike the US.



Major General Hafiz Masroor Ahmed, (Retd) – Vice President CGSS

- Major General Hafiz Masroor Ahmed (Retd) identified Germany as possible counterpart for China in Europe. He was of the opinion that if this alignment is materialized robustly, it will have positive outcomes for Chinese interests in global arena.



Brigadier Bilal Akbar (Retd) - Member Advisory Board CGSS

- In his analytical address regarding the possible Challenges to China, Brigadier Bilal Akbar views the following impediments which should be examined in order for China to sustain its remarkable growth:
 - a) The contentious issues regarding Islands with Japan.
 - b) The US, Japanese and Indian alignment in the South China Sea and Indian Ocean to counter China.
 - c) The US has deployed aircraft carriers in the Pacific Ocean which will have possible ramifications in military perspective for China.
 - d) The Taiwan issue and its use as a proxy by the US and its allies against Chinese interests.
 - e) China's One-Child policy's repercussions and the graying (growing old population) of China resulting in shortage of labor.
 - f) The Xinjiang region needs thorough monitoring and enhanced attention so that foreign elements may not exploit the situation.
 - g) The currency as discussed earlier must be enhanced in order to maintain an influence on the world in the future.
 - h) The Chinese leadership must forge new alliances in Europe by finding strategic partners such as Germany and the UK.
 - i) Vietnam has fallen under the influence of the US, India and Japan. Its proximity to China demands is alarming therefore steps should be taken to mitigate the future problems arising from opposing alliances in China's backyard. It is possible that Vietnam might be used as a tool to instigate problems for China in future.



- j) China has incurred significant investments in Myanmar hence the current turmoil in Myanmar can impede this progressive agenda, therefore, a constructive role may be required to solve the Rohingya crisis.
- k) China has enough capability in armed forces to rival the US while navy is half the size of the US. Steps to optimize its navy to counter future challenges may be introspected.

Mr. Tauqir Ahmad - Member Advisory Board CGSS

- Highlighting the importance of Space technology, he observed that China is growing its capacity in this field with each day. However, it is pertinent to mention that China is rivalled by tough competitors.
- Appreciating the successful drive against corruption, he said that a society cannot thrive unless it does not eradicate the menace of corruption.

Concluding Remarks by Ambassador Amjad Majid Abbasi (Chair of the Session)

The former ambassador thanked all the participants on behalf of CGSS for taking time out of their busy schedule to participate in the debate. He underlined the importance of such dialogue to understand the polity and hierarchy of China and seek new avenues for cooperation between Pakistan and China. The ambassador appreciated President Xi Jinping's visionary leadership and hoped that his vision will see the light of the day in coming future. The participants agreed to work



together in future to deliberate on such topics in order to mitigate the challenges. Mr. He Bin also acknowledged the efforts of CGSS to inform the masses about the current affairs of China and encouraged understanding about China.

