Executive Summary

1. There has been little doubt that Xi Jinping would succeed Hu Jintao as party chief in 2012, but Hu’s handover of both party and military rein to Xi at the same time still surprised many as it set a new norm for future power transition.

2. Xi’s power is not absolute and is still constrained by his two predecessors, Jiang Zemin and Hu, as well as his six peers at the apex of the Politburo Standing Committee, all of whom are vested with almost equal political authority.

3. Bo Xilai’s downfall following his wife’s implication in a murder not only disgraced the left-leaning “Chongqing model,” but more gravely, unveiled the tip of an iceberg of how unbridled political power could impact the judiciary system.

4. Li Keqiang’s rise to the No. 2 figure in the Standing Committee guarantees Hu’s lingering influence after his retirement. Li, the incoming premier, will be assisted by Zhang Gaoli, former Tianjin party secretary, on the economic front.

5. Party elders prioritized seniority when handpicking the five newcomers of the Standing Committee, all of whom will be older than 68 years in 2017 and will be replaced at the next party congress.

6. Of the 15 new members in the 25-seat Politburo, Hu Chunhua and Sun Zhengcai, both 49, are seen as rising stars on track to ascend to the Standing Committee in 2017, and to succeed Xi and Li as general secretary and premier in 2022.

7. The compulsory retirement age of 68 has made Liu Qibao, Sun Chunlan, Li Yuanchao, Wang Yang, Zhang Chunxian, Zhao Leji, Li Zhanshu, Wang Huning and Han Zheng hopeful candidates to join the Standing Committee five years from now.
8. If the principle of seniority continues to be followed, then Li Yuanchao, Wang Yang and Wang Huning will sit in the Standing Committee in 2017. If the convention of prioritizing the Shanghai Party Secretary continues, then Han Zheng will likely enter the Standing Committee in 2017.

9. Li Zhanshu, Liu Qibao and Zhao Leji also have good chances of joining the Standing Committee in 2017, as they respectively head the CPC General Office, Central Propaganda Department and Central Organizational Department.

10. The Chinese government today faces an increasingly fractious society, with more social protests ending in violence, regardless of whether they are for economic, environmental, diplomatic or ethnic reasons.

11. Neither Xi nor Li is able to make draconian changes to the political system, or to the economic structure dominated by state sectors. A key preoccupation of the new leadership will be to shore up economic growth while curbing corruption.