Xi Jinping has been at the helm of the Chinese top leadership for over two years. How should we think about him, his policies and strategies? What could be his prospects? What kind of leader will he prove to be? David "Mike" Lampton, Hyman Professor and Director of SAIS-China and China Studies at the Johns Hopkins Paul H. Nitze School of Advanced International Studies (SAIS), explains the situation which Xi inherited in 2012, outlines the policy package he has pursued since then, and foretells an increasingly uncertain future for China.

Contrary to a seeming media-driven consensus that portrays Xi as a very strong leader (distinct from Deng Xiaoping’s other successors), Lampton perceives him differently - vulnerable and insecure underneath a powerful cover. Although Xi appears to have consolidated power by establishing at least nine cross-system integrating committees, all headed by himself, on a wide range of issues, he doesn’t like the basic character of the system he inherited from Hu Jintao—a consensus system at the top, a fragmented society and bureaucracy, and relatively empowered citizens. He views himself as a change agent to rebalance toward a strong-man system. He has to restore the legitimacy of the communist party after a series of progressively weaker top leaders before him. He has to deal with a large complex bureaucracy in an increasingly fragmented society with disparate interests. He has to confront empowered subordinates in a hierarchical society with an astonishingly uneven distribution of resources from top to bottom. One can only imagine how much social tension is suppressed under the surface.

To Lampton, how Xi has defined his circumstance, and the instruments he is employing to move toward a strong-man system, raise the issue of what we can expect in terms of China's stability and international behavior: 1) in Lampton’s view, it is in China’s interest to pursue gradual evolutionary change, rather than sudden revolutionary change in an increasingly interdependent world; 2) China’s deep integration with the rest of the world places constraints on what China can do.

Lampton then outlines Xi’s strategy to deal with his challenges. In Xi’s mind, to project an image of a strong-man leader is popular and much needed. He uses nationalism, in particular anti-Japanese sentiment, as a cohesive force to consolidate his personal and regime legitimacy. He has emphasized propaganda and the role of ideology. He gave a speech at the Beijing Forum on Art and Literature in late 2014, with remarks that had chilling similarities with Chairman Mao’s remarks at the Yenan Forum on Art and Literature of 1942. Xi called on artists and writers not to cater to base popular trends or be distracted by financial rewards, but to promote positive energy, social effects,
and values—to “forge” the human soul. In tandem with this ideological guidance and control, non-governmental organizations (NGOs) in China—especially those with foreign funding—are under closer scrutiny and more pressure. Parallel to this tighter control of the public sphere is a protracted anti-corruption campaign, which has proved to be the longest and deepest in the last thirty years, a campaign paying particular attention to individuals and networks that are central to governance in China. Not knowing who will be the next person in line to be investigated and detained, many Chinese feel threatened by the scale and the depth of the crackdown.

On matters of national security and foreign relations, Xi relies more on the party-side organizations than on the State Council and its various ministries. Under his leadership, China appears more assertive and demands more say in international affairs. The role of the General Office of the CCP has become particularly notable, not least in the foreign policy area. The combination of internal tightening and external assertiveness has raised external anxieties. All this highlights the question—is Xi’s capacity internally and externally sufficient to deal with such an extensive agenda and the opposition it generates? Deng Xiaoping had always been careful to not bite off more than he could politically chew and to pacify the external environment when pursuing dramatic internal change.

Will Xi’s policy package work? Lampton observes that he and many of his China Studies colleagues are uncertain, some might even say confused, about China’s direction and prospects. On the one hand, China has made such enormous progress over the last four decades that one way to interpret what is going on is that “China has now, in fact, stood up.” Mao’s declaration to this effect in 1949 was in some sense premature.

Turning finally to Xi’s operational code—rules of thumb—they depart from the rules of thumb that guided Deng Xiaoping. In the late 1970s, in order to be able to focus on domestic development, Deng pacified the outside, even acquiesced to U.S. weapon sales to Taiwan. Deng chose to proceed with reforms at home that were politically easier and popular first, such as allowing farmers to retain their excess produce. He tried to align the goals of the reforms with people’s economic incentives, de-emphasizing the role of political ideology, cult of personality, and coercion, whereas Mao was much more predisposed toward ideological and coercive instruments. Xi’s works on national governance were published within the first two years of his leadership, whereas Deng’s works didn’t appear until later into his reign.

Lampton concludes with a common observation and an insightful question. As more and more Chinese become anxious about their future, they send some of their family members and financial assets overseas. Capital outflow from China is expected to outstrip foreign capital inflow into China this year, for many reasons, only one of which is anxiety. We have seen so many children of wealthy Chinese parents in so many major cities worldwide from London to Manhattan. Lampton asks: “What do these Chinese know about China and its future that outsiders don’t know?”