

Guiding New Development with a New Philosophy*

Ninety-five years ago, an arduous yet great voyage of rejuvenation set sail on Nanhu Lake in Jiaxing, east China's Zhejiang Province.

“The ship of our People's Republic is forging ahead through the waves. We are closer than ever before in our history to the goal of achieving the great rejuvenation of the Chinese nation...” More than a year ago, Xi Jinping, general secretary of the CPC Central Committee, made this declaration to the world at the Great Hall of the People during the celebration of the 65th founding anniversary of the PRC.

Over the past more than three years, the CPC Central Committee with Xi as general secretary has stood at the forefront of the times, steering the giant ship of China toward the glorious shore of achieving the great rejuvenation of the Chinese nation.

An Unfolding Blueprint

“Our responsibility is to rally and lead the entire Party and the people of all China's ethnic groups in taking on this task and continuing to pursue the goal of the rejuvenation of the Chinese nation, so that China can stand firmer and stronger among the world's nations, and make new and greater contributions to mankind,” Xi said more than three years ago, when members of the Standing Committee of the Political Bureau of the 18th CPC Central

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Committee met with Chinese and foreign journalists.

Over three years later, the overall governance strategy of the CPC Central Committee has kept pace with the times and continued to evolve, laying a solid foundation for another historic leap in adapting Marxism to China's conditions and opening up a new frontier for socialism with Chinese characteristics.

From 2016 to 2020, China is entering the decisive stage of building a moderately prosperous society in all respects.

“The overall goal of deepening the reform comprehensively is to improve and develop socialism with Chinese characteristics, and to promote the modernization of the national governance system and capacity,” the Third Plenary Session of the 18th CPC Central Committee set the strategic direction for the entire Party.

Making comprehensive moves to build a moderately prosperous society, to further reform, to advance the rule of law and to strengthen Party discipline—the CPC Central Committee with Xi as general secretary put forward an entirely new strategic, problem-oriented way of thinking. This strategic arrangement has clarified the crucial links, priority areas and main directions of the Party's and the country's tasks.

On December 12, 2015, the climate change conference in Paris concluded. After arduous negotiations, the landmark Paris Agreement was reached, marking a significant step forward in the global process of addressing climate change.

Xi attended the opening ceremony of the conference, making China's voice heard and injecting momentum into achieving the agreement.

“In the past few decades, China has seen rapid economic growth and significant improvement in the living standards of its people. However, this has taken a toll on the environment and resources. Having learned the lesson, China is making vigorous ecological endeavors to promote green, circular and low-carbon growth,” he said.

Green development is a solution to the problems and also an

epitome of the revolutionary changes in China's development philosophy. Innovative, coordinated, green, open and inclusive development—these development concepts were proposed at the Fifth Plenary Session of the 18th CPC Central Committee, unveiling a profound transformation concerning the country's overall development.

An Overarching Main Theme

“To achieve the development goals, we must take economic work as the central task, adhere to the principle that development is the Party's top priority in governing and rejuvenating the country, and continuously promote sustained and sound economic development,” Xi pointed out at a symposium with experts on China's economic situation on July 8, 2014.

In pursuing the Chinese Dream, sustained and sound economic development serves as the main engine for the nation to sail far and steady. But times and circumstances have changed. Today, the waters in which the ship of the Chinese economy sails are turbulent with high winds, rough waves and undercurrents.

Globally, though over seven years have passed since the international financial crisis, its complexity far exceeds the previous ones. The global economic recovery remains weak, developed economies' performances are diverging, and the growth of emerging economies has witnessed fluctuations and setbacks.

Domestically, the Chinese economy is at a stage of growth rate shift and economic restructuring, with the impact of previous stimulus policies yet to be addressed. There are prominent structural problems resulting from insufficient new growth drivers and weakening traditional ones. Some enterprises faced operational difficulties, and economic growth has slowed to below eight percent since 2012.

Strengthening the Party's ability to lead economic work and achieving progress while maintaining stability under considerable

downward pressure has become a distinct feature of the CPC Central Committee's governance.

“Our economy has entered a stage of single-digit growth from a relatively long period of double-digit growth,” Xi noted when joining deliberations with fellow lawmakers from Shanghai during the annual session of the top legislature on March 5, 2013.

In May 2014, Xi first proposed the concept of “new normal” during his inspection trip in Henan Province, which was later elaborated upon at that year's Central Economic Work Conference. In 2015, the annual Central Economic Work Conference delved into how to view and respond to the new normal of economic development. Major innovations were made to the approach of macroeconomic control, and a tough battle of supply-side structural reform was launched.

Understanding, adapting to, and guiding the new normal—this is the overarching logic of China's economic development in the present and for the foreseeable future. It is also an important assessment made by the CPC Central Committee based on a comprehensive analysis of the world economic cycle, China's development stage and the interaction between the two.

The old model of achieving high growth through extensive development is gone for good. The traditional development philosophy must be abandoned, and future development must be planned in accordance with the new concepts of innovation, coordination, green development, openness and sharing.

Efforts have been made to streamline administration and delegate power to lower levels, make structural adjustments, pursue reform and innovation, cut overcapacity and excess inventory, deleverage, reduce costs and strengthen points of weakness, making the supply structure more adaptive and flexible and increasing the total factor productivity.

Whether on domestic inspection tours or attending international conferences, when talking about the economic situation, Xi always stressed two words—“resolve” and “confidence.”

A number of groundbreaking meetings have been held on areas such as urbanization and poverty alleviation, all reflecting the CPC Central Committee's insight into key economic development issues and its capability of tackling them.

For more than three years, the CPC Central Committee has innovated macroeconomic control approaches with wisdom and courage, taken active steps to adapt to the new normal of economic development, and shifted its focus from the demand side to the supply side.

"Implementation of the innovation-driven development strategy determines the future and destiny of the Chinese nation," Xi said at the 9th group study session of the Political Bureau of the CPC Central Committee.

Various models of makerspaces are mushrooming, and new driving forces are continuously growing. Data shows that since 2015, an average of over 11,000 new enterprises have been registered per day. Innovation and entrepreneurship have become a new engine for economic development.

The BRI is accelerating infrastructure connectivity between China and partner countries; the coordinated development of the Beijing-Tianjin-Hebei region is forming a new regional growth engine; and the Yangtze River Economic Belt is expected to leverage investment worth trillions of yuan.

China has worked with over 50 countries to establish the AIIB. It also set up the Silk Road Fund and accelerated the development of free trade zones. The country is reshaping the development pattern with an open mind, highlighting its responsibility in global economic governance.

Consumption now accounts for nearly 60 percent of China's economic growth, while the service industry contributes more than 50 percent. New economic growth drivers keep emerging: the expansion of high-tech industries is significantly faster than overall industrial growth, and modern service industries such as sports and cultural sectors are rising rapidly.

China remains the anchor of stability for global economic growth. The expansion of the Chinese economy at a growth rate of around seven percent is equivalent to the annual GDP of a medium-sized country, and China currently contributes about 30 percent to world economic growth, still ranking first globally.

A Powerful Driving Force

After the 18th CPC National Congress, what lay before the new CPC central leadership was a stern test of reform—all the easy jobs had been finished, and what remained were mostly hard nuts to crack.

Upon taking office, Xi's first inspection trip outside Beijing was to Guangdong, the forefront of reform and opening up, demonstrating his determination to pursue the path of reform and opening up.

Six months later, he went to Hubei for research on comprehensively deepening reform, where he proposed five major relationships that should be grasped and six major issues requiring in-depth research.

Nearly a year later, the Third Plenary Session of the 18th CPC Central Committee adopted the Decision of the Central Committee of the CPC on Some Major Issues Concerning Comprehensively Continuing the Reform.

Looking back over the past three-plus years, one can easily see that the CPC Central Committee with Xi as general secretary has always firmly upheld reform and opening up as the key move in determining the destiny of contemporary China and realizing the great rejuvenation of the Chinese nation.

Since the Third Plenary Session of the 18th CPC Central Committee, a grand blueprint of reform has unfolded rapidly, which involves 336 major reform measures across 15 fields, including economy, politics, culture, social affairs, ecological progress and Party building.

By December 2015, the Leading Group for Further Reform under the CPC Central Committee had convened 19 meetings, all chaired by Xi, the group's leader. With a focus on reform tasks, the meetings reviewed and approved reform plans and put forward relevant requirements, emphasizing problem-oriented approaches and targeted efforts.

Since its establishment two years ago, the group has reviewed more than 90 documents and formulated and issued nearly 100 reform plans. With the overall planning and vigorous push of the leading group, breakthroughs have been made in a number of reforms that involve adjustments of deep-seated interests and had long been stalled.

From judicial and fiscal reforms to those related to household registration, state-owned firms' salaries, examination and admission, rural land and public hospitals and for the science and technology and football sectors—the previously untouchable “hard nuts” were cracked open one after another.

Adhering to reforms to develop the socialist market economy, the CPC Central Committee has let the market play a decisive role in allocating resources and the government perform its functions better.

It has also deepened cultural system reform and promoted core socialist values, reformed and innovated the social system to promote fairness and justice as well as people's welfare, and established goals, evaluation methods and reward and punishment mechanisms in keeping with the need of promoting ecological progress.

Over more than three years, reform has profoundly changed China's outlook and the destiny of its people.

In September 2013, the Shanghai Pilot Free Trade Zone was established. In December 2014, the State Council approved setting up such zones in Tianjin, Fujian and Guangdong. From making explorations to establishing paths that can be applied elsewhere, China's reform has moved steadily forward.

In January 2015, the State Council announced reform measures to end an almost two-decade-old dual-track pension system. Pension contributions were also required from nearly 40 million government and public institution staff, aligning them with corporate employees. China's reforms are promoting equal rights across different groups and fostering greater social stability and harmony.

On October 1, 2015, China eased business registration by integrating business license, organizational code certificate and tax registration certificate into one. The move was part of greater government efforts to streamline administration and delegate power to lower levels, which steadily improved the capacity and the level of modernization of China's governance.

"We will forge ahead against all odds to meet our goals of reform," Xi said in an interview with the *Wall Street Journal*.

A Deep Affection Always Held in the Heart

Meeting the people's aspiration for a better life is the goal of Communists and an integral part of governance.

Since Xi took office as general secretary of the CPC Central Committee in 2012, poverty alleviation has been a primary focus. Out of his 26 domestic inspection tours, 15 involved poverty alleviation and development, and seven centered on this issue.

He once spent seven years in northern Shaanxi, where he lived in cave dwellings, slept on an earthen bed, endured insect bites, built roads and dams, carried manure and built biogas facilities. The poverty of China's rural areas left a profound and lasting impact on him.

"As long as there is still a single household, or even a single person, whose basic living problems have not been solved, we cannot be at ease," Xi said.

Data tells a more compelling story of China's progress in poverty alleviation. From 2011 to 2014, the rural population living in poverty dropped from 122 million to 70.17 million, a reduction

of 52.21 million, equivalent to the population of a medium-sized country.

Even as the economy faces heightened downward pressure, major livelihood indicators have shown stable growth. With enterprise pensions rising year after year, retirees are sharing the fruits of development. Meanwhile, China has built the world's largest social security net of elderly care, medical services and education, making sure that no one falls through the cracks.

As judicial reforms advance, fairness and justice are spreading throughout the nation. Social divides are narrowing, allowing different people to access equal opportunities and resources.

By ensuring that all powers, matters and officials are governed by rules, and guaranteeing public supervision over the exercise of power, a clean and upright political and social environment is taking shape.

An Increasingly Stronger Leadership

During its over 60 years of governance, the CPC has steered the nation forward with unstoppable momentum.

Today, the world's largest political party is leading the world's most populous nation to overcome the greatest development challenges while forging a brand new path in human history.

However, the Party is confronted with challenges such as a lack of drive, incompetence, disengagement from the people, inaction and corruption.

“Failing to strengthen Party governance can lead to problems, even major problems. In consequence, the Party's cause would fail and the Party and the nation might even perish,” Xi once said.

For more than three years, the CPC Central Committee with Xi as general secretary has focused on strengthening the Party's governance capacity and its advanced nature and purity, started with improving Party conduct, and made advancements in all areas, including ideology, organization, institutions and anti-corruption,

thereby opening a new chapter in Party building.

Shortly after the 18th CPC National Congress, the new CPC Central Committee pledged to the entire Party: "The task of improving Party conduct and ensuring clean governance must start with the leading cadres, and among the leading cadres, it must begin first and foremost with the central leadership."

From practicing the eight-point decision on improving conduct to leading the educational campaign for observing the Three Guidelines for Ethical Behavior and Three Basic Rules of Conduct, the CPC Central Committee has taken concrete actions and set a good example for the entire Party.

Through investigation involving serious disciplinary violation cases of senior officials, the myth of their immunity from punishment has been dispelled.

Meanwhile, the full coverage of the central disciplinary inspection and its stationed inspection teams proved that no areas are actually off-limits to anti-corruption efforts.

Also, over 140,000 people have been held accountable for violating the principles of the eight-point decision on improving conduct, shattering the assumption that mass violations would make laws unenforceable.

Not long ago, the CPC Central Committee unveiled rules on clean government and self-discipline as well as regulations on the Party's disciplinary action. The two regulations are coordinated and mutually reinforcing, perfectly reflecting the ideal combination of governing the Party by rules and guiding it with virtue.

The past three years also witnessed the drafting of the first five-year plan of the Party's rule-making, a review of existing Party regulations, as well as the formulation and introduction of over 30 Party regulations and more than 30 reform measures. Through these efforts, the systems of Party regulations and Party building are being continuously improved.

Since the 18th CPC National Congress, the CPC Central Committee has demonstrated both clear vision and effective methods

in governing the Party, with significant innovations achieved in both theory and practice.

A large number of corrupt members have been expelled from the Party, while nearly a thousand officials whose spouses and children are overseas have been removed from their positions.

Respect for both the Party Constitution and Party discipline has been strengthened, and it is now a consensus to resist the “Four Malfeasances,” namely pointless formalities, bureaucratism, hedonism, and extravagance, and avoid factionalism.

The CPC Central Committee has also strengthened the Party’s leadership over economic work, and conducted specialized research in areas such as poverty alleviation, urban development, and foreign affairs to improve top-level design.

High-level meetings on ethnic, religious, united front, people’s organizations and military political work were convened to closely rally people from all walks of society, as well as all officers and soldiers, under the banner of the Party.

A Broad and Profound Vision

“China is a large country of over 1.3 billion people. It is like a big guy in the crowd. Others will naturally wonder how the big guy will move and act,” Xi once said.

Since the 18th CPC National Congress, facing a complex international situation and a rapidly evolving global landscape, the CPC Central Committee with Xi as general secretary comprehensively advanced major-country diplomacy with Chinese characteristics.

A new diplomatic pattern has basically taken shape. China is closer to the center of the world stage than ever, and its helmsman has made a profound impression globally.

After the 18th CPC National Congress, the vision of a community with a shared future for humanity has been running through the CPC Central Committee’s whole governance process, especially in

the coordination of domestic development and international situation.

In more than three years, Xi proposed a series of new ideas and new concepts that have resonated on a global scale, including the Chinese Dream and the dream of the world as well as fostering a new type of international relations with win-win cooperation at the core.

In 2013, Xi proposed the BRI, which received positive responses and participation from more than 60 countries and international organizations.

Through the establishment of a 40-billion-US dollar Silk Road Fund, an expanding network of China-Europe freight trains, as well as a number of economic corridors and major bilateral and multilateral projects, the initiative has created a shared future for 4.4 billion people.

Xi has published 19 signed articles in newspapers of the countries he visited, proactively introducing China to the world. His proposal to establish the AIIB won positive responses from over 50 countries. He also promoted China's vision and proposals at the summits of G20, the Shanghai Cooperation Organization and BRICS.

Over more than three years, the CPC Central Committee with Xi as general secretary has appeared on the international stage with greater confidence as well as a more proactive diplomatic approach.

Within three years, Xi made 19 overseas visits, spending a total of 124 days abroad and leaving his footprints in 40 countries across five continents.

Mutual visits between Chinese and foreign leaders are also becoming increasingly frequent, with more than 100 heads of state or government having visited China in three years.

Over the past three years, the heads of state of China and the United States have met three times, with each meeting marking a significant moment in history.

“Keeping up with the times, one cannot live in the 21st century while thinking in the old fashion;” “The lion of China has awoken, but what the world sees now, is a peaceful, amiable, civilized lion.” Xi’s vivid words have deepened the world’s understanding of China and promoted global cooperation.

During a visit to Africa, Xi held a breakfast meeting with the leaders of about a dozen African countries and the chairperson of the African Union Commission. He also met the leaders of nine Caribbean nations when visiting Trinidad and Tobago. Such innovative meeting arrangements allowed him to engage with an entire region through a single-country visit.

On September 3, 2015, Xi announced that China would cut the number of its troops by 300,000 at a grand gathering to mark the 70th anniversary of the victory in the Chinese People’s War of Resistance Against Japanese Aggression and the World Anti-Fascist War.

The V-day commemorations demonstrated China’s determination to uphold the path of peaceful development as well as its broad mind, which is also reflected in the Chinese way of tackling global challenges.

Over the past three-plus years, China has joined the new UN peacekeeping capability readiness system, and sent experts and supplies immediately for disasters like the outbreak of the Ebola virus in West Africa and the earthquake in Nepal.

The country also pledged to peak carbon emissions around 2030 and strive to achieve this goal as early as possible. Meanwhile, China has set up a one-billion-US dollar China-UN Peace and Development Fund and the China-Africa Fund for Production Capacity Cooperation with an initial contribution of ten billion US dollars.

China has established partnerships of different forms and levels with 67 countries and five regions or regional organizations, bringing its global partnership network basically into shape.

Meanwhile, the country strived to build an open world econo-

my by advancing the establishment of the Free Trade Area of the Asia-Pacific and signing free trade agreements with the Republic of Korea and Australia, among others.

Progress has been made on establishing the BRICS New Development Bank and the Contingent Reserve Arrangement mechanism, and China has been granted membership in the European Bank for Reconstruction and Development.

From high-speed rail to the Hualong One nuclear reactor, Chinese brands and high-end manufacturing are gaining global prominence.

On matters of core national interests, Chinese leadership has upheld fundamental principles and safeguarded vital interests, while enhancing cooperation and managing differences.

On November 30, 2015, the International Monetary Fund announced that the Chinese currency renminbi would be included in the Special Drawing Rights basket.

This year, leaders of the G20 will gather in China's Hangzhou to deliberate on the future course of the world economy.

The year 2016 also marks the beginning of China's 13th Five-year Plan period, the decisive stage of building a moderately prosperous society in all respects.

History is connected by voyage after voyage. From national salvation to revitalization, and now to embarking on the path toward great national rejuvenation, it has been a glorious journey of struggle and a great cause yet to be completed.

The times are calling: the giant ship of China will raise its sails and ride the waves toward the goal of national rejuvenation.