

The 41st MAC Advisory Committee Meeting: Highlights of Discussion by Advisory Members*

News Reference Material

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The Mainland Affairs Council (MAC) recently held the 41st Advisory Committee Meeting on the topic of "Observations on the '20th National Congress' of the Chinese Communist Party" (hereinafter "the 20th Party Congress"). Key statements and discussion points of the participating committee members are as follows:

1. The introductory report presented by the participating scholars indicated that, the 20th Party Congress saw Xi Jinping breaking the existing systems and norms for promotion: Xi's new leadership lineup suggests an emphasis on political loyalty over competence; a complete removal of checks and balances from factions and party elders; a return to "centralization of power," "Maoism," and an "echo chamber"; and the possibility of Xi remaining in power until or past 2035. The 20th Party Congress report not only touted the "Chinese-style of modernization" as a viable alternative to the Western-style modernization to achieve its national rejuvenation but pledged to drive technological innovation with the CCP's "whole-nation system," revealing mainland China's ambition to compete with the West for "the right to speak." Furthermore, the report implied that in the areas of international politics and cross-Strait relations, Beijing will strengthen strategic deterrence, escalate its rivalry with

*The MAC Advisory Committee Meeting is formed by experts and scholars in related fields. The views and opinions expressed in the meetings or excerpted in this article belong solely to the speakers.

the US, and coerce Taiwan into political negotiations, to which our government must respond appropriately.

2. Some committee members believed that the 20th Party Congress report— given its emphasis on "security" over "openness" and its call for "common prosperity" to redistribute wealth— signaled a regression to the left-leaning system marked by collective public ownership and the market philosophy of “the state advances and the private sector retreats.” Meanwhile, the CCP authorities remain resolute in implementing their zero-COVID policy, rendering domestic consumption weak and making it difficult to carry out the dual circulation policy. Moreover, the debt crisis of the Chinese housing market and distressed debt of local governments have further exacerbated the economy and increased financial risks. Under this backdrop, there is pervasive pessimism about the Chinese economy among the international credit rating agencies, who expect its growth this year to fall short of the 5.5% target set by the authorities. Meanwhile, foreign capital also painted a grim picture for mainland China’s economic prospects and has thus accelerated its timeline for moving industrial supply chains to Southeast Asia. Nonetheless, some participating scholars still believed that politics and the economy are not two mutually exclusive agenda for the CCP and that the party will continue to drive economy growth provided that security can be maintained.
3. Some members highlighted that the 20th Party Congress report’s interpretation of the global circumstances marked a drastic departure from the party’s past belief in the peaceful outlook of the world. The report indicated that the present moment is not a strategic crossroads but a historical turning point unseen over the past centuries. Beijing intends to create a new international order and has therefore been stepping up its efforts to win over neighboring countries in an attempt to compete with the US. It is also pushing forward work on strengthening its military power to match that of the US and deter the US from intervening in the conflicts across the Taiwan Strait.

Additionally, there is increasing clarity on the CCP's plans to achieve its strategic objectives with the so-called "two-step approach."

4. Some members noted that, going forward, the CCP will implement a set of new strategies to oppose independence and promote unification. Additionally, it may also seek to construct a new discourse on its Taiwan policy, strengthen the top-level design of the "one country, two systems" formula, and flesh out its "Overall Policy on Taiwan." In addition, participating scholars warned against ruling out the possibility of the CCP launching an "unjust war" to shift focus from the grievances at home. As a result, they suggested that the government conduct scenario planning, come up with targeted responses for defense, continue to show a firm resolve on self-defense, and step up work on consolidating international support for Taiwan.
5. Minister Chiu stated at the meeting that the internal stability of mainland China, regional circumstances, and subsequent developments of cross-Strait relations all hinge on the CCP's potential Taiwan policies, US-China rivalry, and directions of the international circumstances after the 20th Party Congress. The scholars assessed that the CCP would continue to strengthen a comprehensive layout of its Taiwan policy to "oppose independence and foreign interference, promote unification and integration, and press ahead with its agenda with peaceful and through force simultaneously." The government will continue to closely follow and assess related developments and plan for countermeasures against possible challenges to ensure our national security and Taiwan's best interests.