Xi Jinping’s Inner Circle  
(Part 1: The Shaanxi Gang)  

Cheng Li

Like successful politicians elsewhere, President Xi Jinping assumed China’s top leadership role with the support of an inner circle. This group has been crucial to Xi’s efforts to consolidate power during his first year in office. Xi’s inner circle of confidants has smoothed the way for him to undertake a bold anti-corruption campaign, manage the Bo Xilai trial, and begin the process of crafting ambitious economic reforms. This series examines various power bases that make up Xi’s inner circle—individuals who serve as his hands, ears, mouth, and brain.

This first article focuses on native-place associations, namely the so-called Shaanxi Gang, which includes the “Iron Triangle” grouping in the Politburo Standing Committee. Such discussion can help reveal the future trajectory of politics and policy-making during the Xi administration. The analysis of the positioning and promotion of some of Xi’s longtime friends provides an invaluable assessment of both Xi’s current power and the potential for effective policy implementation.

Much of the current discussion about the consolidation of Xi Jinping’s power centers on the top leadership positions that he holds concurrently. Xi not only took control of all the supreme institutions in the party, state, and military during the latest political succession, but he also now chairs the newly established National Security Committee and the Central Leading Group on Comprehensive Deepening of Economic Reform—two crucial decision-making bodies in Zhongnanhai. There is now widespread recognition that the party leadership enthusiastically endorsed Xi’s comprehensive market reform agenda at the Third Plenum of the 18th Central Committee held in November 2013. These big, bold, and broad policy initiatives ostensibly reflect Xi’s growing power and influence.

Less noticed, but equally important, is Xi’s substantial reliance on an inner circle of confidants, especially his quick moves to promote longtime associates to key leadership positions. These developments are certainly essential for Xi’s leadership for two primary reasons.

First, unlike his two predecessors, Jiang Zemin and Hu Jintao, who as the heirs apparent had served many years or a decade, respectively, in the top decision-making circle, Xi had a relatively short period to serve as designated successor. Specifically, he served only a one-term membership in the Politburo Standing Committee (PSC) and two years as vice chairman of the Central Military Commission (CMC) before becoming party boss in the fall of 2012.
In contrast, although Jiang was appointed to the top posts in the party, state, and military soon after the 1989 Tiananmen crisis, he had worked in the shadow of the paramount leader Deng Xiaoping for about six years before Deng no longer remained in control due to health problems in the mid-1990s. While Deng “ruled behind a screen” (掛帅听政), Jiang gradually strengthened his power by promoting many of his close friends—most noticeably his former junior colleagues at the First Ministry of Machine Building Li Lanqing, Jia Qinglin, and Zeng Peiyan, and his protégés in Shanghai Zeng Qinghong, Wu Bangguo, and Huang Ju—to the national leadership. All except one of these men later became members of the PSC, China’s most powerful leadership body.4

As heir apparent, Hu Jintao served a two-term membership in the PSC and five years as vice chairman of the CMC. He had already formed a strong patron-client political network of former colleagues through the Chinese Communist Youth League (CCYL), which he headed in the early 1980s. Many of these so-called tuanpai (团派) leaders were well positioned in the national leadership when Hu succeeded Jiang as the top leader in 2002.5 For Xi Jinping, such comparisons to his predecessors likely have increased his sense of urgency to form quickly his own strong team with which he can more effectively lead now and in the future.

Second, the first year of Xi’s leadership brought remarkable changes in politics and policy as Xi reined in virtually all of the most important leadership bodies and unambiguously took control of the policy agenda. But these achievements arguably had more to do with the factional makeup of the PSC than Xi’s own authority and command.

In the post-Deng era, two major political coalitions associated with the two former general secretaries Jiang Zemin and Hu Jintao (who both still wield considerable influence) have constituted what the Chinese call the “collective leadership” (集体领导). Jiang’s camp won an overwhelming majority of the seats on the PSC at the 18th Party Congress, securing six of the seven spots (Hu’s camp is represented only by Li Keqiang).6 This 6:1 dominance of the Jiang camp is a very important political factor in present-day Chinese leadership politics, which gives Xi, the protégé of Jiang, tremendous support and power. Yet it should also be noted that although the other five members of the PSC are primarily Xi’s political allies, their ascent to this supreme decision-making body was not attributed to Xi. Besides, all five are expected to retire as a result of age limits at the next party congress in three years.7

To a certain extent, the landslide victory on the part of the Jiang camp was similar to the American presidential election when the Democrats won the White House in 2008. There is of course a profound difference between the Chinese and American political systems: the former was created largely through political manipulation and behind-the-scenes deal-making among the ruling elite while the latter was decided by electoral college vote. Yet both President Obama and General Secretary Xi Jinping must be aware of their political realities: to achieve an impressive partisan victory is one thing, but to govern the country effectively is something else entirely.

This political reality explains why, as the new occupant of the White House, President
Obama quickly brought to his administration a small coterie of people “that had been with him a long time, that worked with him closely and whose judgment he trusted.” They included individuals from several important political and personal networks. The first group included political advisors from his power base in Chicago: Rahm Emanuel, David Axelrod, and Valerie Jarrett. The second included his “school buds” at Harvard University: Michael Froman, Cassandra Butts, and Chris Lu. The third group included the staffers in his Senate office: Pete Rouse, Robert Gibbs, and Alyssa Mastromonaco. And the fourth group included foreign policy strategists from the Brookings Institution: Susan Rice, James Steinberg, and Jeffrey Bader.

President Obama frequently turned to these trusted friends to “bounce around ideas and solicit feedback.” Some of them became members of Obama’s inner circle. They served the roles of the president’s “tacticians,” “fixers,” “defenders,” “messengers,” and “whisperers,” as characterized by American commentators.

So for Xi Jinping, what groups constitute his inner circle? Who serves as Xi’s hands, ears, mouth, and brain? In a political system like that of China, where the inner workings of the top leadership are far less transparent than in the United States, it is very difficult to determine such relationships. Recognizing that there are inherent limitations and unavoidable omissions in the study of Xi’s inner circle, the subject is nonetheless enormously important and worthy of examination.

A solid understanding of the individuals who often stand at Xi’s side, particularly some of the advisors who have helped orchestrate major political endeavors and design new policy changes during the first couple of years of Xi’s leadership, can help explain some of the driving forces for change. Even more importantly, such discussion can offer clues to the future trajectory of politics and policy-making during the Xi administration. To a great extent, an analysis of the positioning and promotion of some of Xi’s longtime friends provides an invaluable assessment of Xi’s current power and influence.

Similar to President Obama, who relies heavily on people he has associated with socially, politically, and professionally throughout his career, President Xi also seeks help from the people he has encountered during the important phases of his personal and political career. Information about Xi’s associates is publicly available and quite reliable since Xi himself has spoken with the media both in China and abroad about the relationships he has developed throughout his career.

In recent years, the Chinese government has actually made deliberate efforts to release more detailed biographical data about officials at various levels of leadership. Some specialized online websites run by the Chinese Communist Party are devoted to biographies of leaders in the party, government, major state-owned enterprises, and military. Official, semi-official, and social media in the PRC have all increasingly revealed previously banned information about patron-client ties of party leaders. Chinese books featuring biographical sketches, family background, and political networks published in Hong Kong, Taiwan, and overseas provide additional—though often unverified—information about Chinese leaders and their political associations.
This study primarily explores open-source information found in official Chinese publications, both online and in print, paying particular attention to the career overlaps and close working relationships between Xi and his associates. The study also makes special effort to confirm some unverified sources and provide footnotes to indicate those sources and any unsubstantiated information.

Xi’s family members, such as first lady Peng Liyuan, Xi’s mother and daughter, and his siblings and their spouses may understandably assume the roles of Xi’s confidants and advisors. Despite the fact that most or all of them do not play a direct leadership role, their influence on President Xi can also be very consequential. But owing to the need to maintain a reasonable scope, this study does not account for the important influence of family members.

Xi’s Coming of Age and the Rise of the “Shaanxi Gang”

It may be a pure coincidence that Xi’s ascent to the top leadership has occurred at the same time that some prominent political leaders with the so-called Shaanxi connection—including those who were born in Shaanxi Province (or are natives of Shaanxi by family origin) and those who spent much of their professional career in the province—have emerged at the power center of Beijing. Some analysts recently coined the term “Shaanxi Gang” to characterize the rapid rise of the national leaders (both civilian and military) who have strong ties to Shaanxi.

Native Ties and Chinese Political Networking

In contemporary China, national leaders have often disproportionately represented certain geographic regions. During the Nationalist era, Guangdong Province produced a significant number of top political and military elites in the country, including those who were Cantonese, those who studied at the Whampoa Military Academy, and those who advanced their professional and political careers in the region.

During the Mao era, a majority of CCP leaders came from central China, especially from Hunan and Hubei provinces. This was mainly due to the historical origin of the Chinese Communist movement in the 1920s and 1930s, which attracted many peasants from central China. Two or three decades later, their representatives became national leaders of the newly founded People’s Republic China (PRC). Approximately one-third of the members of the Eighth Politburo of the CCP formed in 1956 were born in Hunan and about one-third of the members of the Ninth Politburo in 1969 were born in Hubei (most of these Hunan/Hubei-born leaders had military backgrounds). Altogether, the leaders from provinces in central China occupied half of the seats in the Politburo in these two party congresses.

During the Deng Xiaoping era, Deng relied heavily on his fellow Sichuan natives, most noticeably the Yang brothers (Yang Shangkun who served as PRC president and vice chairman of the CMC, and Yang Baibing who served as secretary general of the CMC). Deng also played a direct role in promoting his Sichuanese protégés, for example, Sichuan Party Secretary Yang Rudai and Sichuan Governor Xiao Yang, to important leadership posts.
Under the leadership of Jiang Zemin and Hu Jintao, China witnessed the disproportionate representation of leaders from the east coast, especially from Jiangsu and Shandong provinces. On the 15th Central Committee in 1997, 44.6 percent of the full members were born in eastern China.\(^{21}\) According to a study of military elites in the 1990s, Shandong Province accounted for well over one-quarter of China’s senior military officers.\(^{22}\) A report released in the late 1990s showed that of the 42 highest ranking PLA generals and admirals whose birthplaces were identified, 13 were born in Shandong, and six were born in Jiangsu. A total of 22 top military leaders (52.4 percent) were from eastern China.\(^{23}\) The strong representation of Shandong natives in the military leadership over the last two decades has been a mystery and might have multiple causes.\(^{24}\) The high percentage of Jiangsu natives in the civilian leadership is at least partially due to the fact that Jiang Zemin and Hu Jintao, both Jiangsu natives, liked to promote their fellow Jiangsunese.\(^{25}\)

Like other sources of elite divisions, birthplace ties can be instrumental in either political consolidation or factional conflict. During the Jiang era, for example, leaders from Shanghai and its neighboring areas dominated the PSC, contributing to elite cohesion on the one hand, while causing tremendous factional tensions on the other hand.\(^{26}\) Understandably, any new boss in Zhongnanhai likely will take advantage of all possible political associations and networks available, including shared birthplace, to consolidate power.

**Xi’s Family Origin and the “Yellow Earth Attachment”**

Xi Jinping’s reliance on his fellow natives from Shaanxi apparently reflects political norms of Chinese elite politics. In fact, Xi Jinping has been quite outspoken about his strong affection for and ties with Shaanxi (陕西情结), or what is known as the “yellow earth attachment” (黄土地情结).\(^{27}\) Shaanxi was not only the place where his father, Communist revolutionary veteran Xi Zhongxun, was born, raised, and had a legendary political and military career, but also where Xi Jinping himself spent his formative years and launched his own political career. According to some analysts, Shaanxi Province, which was an important root and powerbase of the Communist revolution (to which Xi’s father greatly contributed), has now become the new root and powerbase for the emerging dominant force in the national leadership.\(^{28}\)

Xi Zhongxun was born in Fuping County in Weinan City, central Shaanxi, in 1913. At the age of 15, he was arrested as a result of his participation in the students movement. In prison, he joined the Chinese Communist Party. When he was released he took part in the peasant guerrilla fighting and helped establish the Shaanxi-Gansu border revolutionary base in 1933. He served as chairman of the Shaanxi-Gansu border of the Soviet government in the mid-1930s. He remained in the region during the anti-Japanese war and the civil war in the following decade, becoming secretary of the Northwest Bureau of the CCP Central Committee and deputy political commissar of the Northwest Field Army when he was only 32 years old.

After the Communist victory in 1949, Xi Zhongxun was based in Xi’an, Shaanxi Province, where he was in charge of the party, government, and military leadership in
northwestern China. In 1952, he moved to Beijing where he served as secretary general (chief of staff) at the State Council, primarily assisting Premier Zhou Enlai. A few years later, he concurrently served as vice premier of the State Council.

Xi Zhongxun spent almost 40 years of his early life and career in Shaanxi. Although he was also instrumental in implementing the economic reforms in Guangdong Province during the early 1980s, especially in the establishment of the Shenzhen Economic Zone, his career was primarily defined by his early experience in Shaanxi. The fact that Xi Zhongxun was purged for 16 years (1962–1978) made his political associations in Shaanxi more important. 29

Xi Zhongxun had deep familial ties to the region. His first wife was a native of Shaanxi, and he and his second wife, Qi Xin (Xi Jinping’s mother), married in Suide County, Shaanxi. Five of his seven children from both marriages were born in Shaanxi. 30 Xi Zhongxun’s brother, Xi Zhongkai, served successively as deputy head of the Commerce Department of the Shaanxi provincial government and the head of the Organization Department of the Shaanxi Provincial Party Committee for many years.

In many different ways, Xi Zhongxun’s associations in Shaanxi had an impact on Xi Jinping’s life and career. Xi Jinping’s father-in-law from his first marriage, Ke Hua, who later served as China’s ambassador to the United Kingdom, served as deputy head of the Culture Department of the Northwest Military Committee, in which Xi Zhongxun served as vice chairman during the first few years of the PRC. Defense Minister Geng Biao, for whom Xi Jinping served as mishu (personal assistant) in the early 1980s, was Xi Zhongxun’s “comrade-in-arms” during the anti-Japanese war in the Shaanxi-Gansu-Ningxia border region.

Xi Jinping’s strong family ties to Shaanxi and his father’s revolutionary legacy in the region apparently explain why the junior Xi in 1969, at the age of 16, chose Yanchuan County of Shaanxi’s Yan’an prefecture to be the location of his service as a “sent-down youth.” During the Cultural Revolution, millions of urban middle-school students were rusticated in the countryside where they worked as farmers during their adolescent years, becoming known as “sent-down youths.” Xi spent almost seven years as a farmer, and after 1974 he served concurrently as the branch party secretary of a village.

While experiencing extraordinary hardships in such a poor and primitive rural area, Xi felt a sense of fulfillment and native attachment. For him, this time in his early career was a move away from Beijing’s political turmoil, in which he had suffered as the child of a “Mao enemy,” to the cradle of his father’s revolutionary career. The new environment helped him develop many ties to his native region, as he was surrounded by many friendly fellow Shaanxi natives. Xi recently told the Chinese media that his time spent in Yan’an as a sent-down youth was a “defining experience” and a “turning point” in his life. 31 Xi identified himself as a “Yan’an native” (延安人), claiming Shaanxi as his root and base (根) and Yan’an as his soul and spirit (魂). 32 He was particularly grateful for the knowledge, strength, and confidence that grew within him while working in his homeland. 33
The Formation of the Shaanxi Gang

Understandably, Xi Jinping’s sentiment regarding the “yellow earth” has also led to his favorable view of leaders connected with Shaanxi, thus contributing to the loosely defined notion about the Shaanxi Gang. According to Jiang Shaofeng, an analyst who has published several articles on the subject in the overseas Chinese media, the members of the Shaanxi Gang now occupy a significant portion of the top leadership of the party and military. Combined with Jiang Shaofeng’s work, table 1 (next page) tabulates some of the most prominent members of the Shaanxi Gang in the Chinese civilian and military leadership. The gang constitutes three out of seven seats (43 percent) on the PSC, eight out of 25 members (32 percent) in the Politburo, and four out of 11 members (36 percent) on the CMC.34

The “Iron Triangle”

The first three leaders listed in the table, Xi Jinping, Yu Zhengsheng, and Wang Qishan, are all current members of the PSC. All of them are so-called princelings, and their fathers or fathers-in-law served as CCP senior leaders. Yu Zhengsheng’s father Yu Qiwei (also known as Huang Jing) and Wang Qishan’s father-in-law Yao Yilin both were the primary leaders of the December Ninth National Salvation Movement in Beijing in 1935. Yu Zhengsheng was born in Yan’an in 1945 when his father was secretary of the Pingyuan branch of the Northern Bureau of the CCP Central Committee. Yu’s mother Fan Jin served as the president of Beijing Daily and deputy director of the Propaganda Department of the Beijing municipal party committee in 1952 when Xi Zhongxun was the director of the Central Propaganda Department of the CCP. One can reasonably deduce that the Xi and Yu families have known each other for almost seven decades.

Xi Jinping, Yu Zhengsheng, and Wang Qishan are all very close to the former party boss Jiang Zemin, and they constitute the “majority of six” on the 18th PSC. They are often seen as the “core of the core group in the Jiang camp.” Even before the 18th Party Congress in November 2012, some analysts already predicted these three heavyweight politicians might form the “iron triangle” (铁三角) in the top leadership following the Hu-Wen administration.35

Both Yu Zhengsheng and Wang Qishan have been remarkably supportive of Xi’s new policy agenda. Approximately three weeks before the Third Plenum of the 18th Central Committee, Yu Zhengsheng made a widely publicized statement claiming that the reform agenda in the upcoming meeting would be unprecedentedly consequential in terms of its scale, scope, and depth.36 At a time when serious pessimism about what the Xi leadership could do seemed to prevail in the country, this forecast by Yu aimed to mobilize broad support from both the political elite and the public for Xi’s new economic reform platform at the Third Plenum. The impressive agenda later proposed at the Third Plenum proved the significance of Yu’s forecast and endorsement.
<table>
<thead>
<tr>
<th>Name</th>
<th>Birth year</th>
<th>Current position</th>
<th>CC status</th>
<th>Shaanxi affiliation</th>
<th>Formative experience in Shaanxi</th>
<th>Leadership experience in Shaanxi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Xi Jinping</td>
<td>1953</td>
<td>CCP secretary general, PRC president, CMC chair</td>
<td>PSC member</td>
<td>Shaanxi native</td>
<td>Sent-down youth, 1969–1975</td>
<td></td>
</tr>
<tr>
<td>Yu Zhengsheng</td>
<td>1945</td>
<td>Chair, CPPCC</td>
<td>PSC member</td>
<td>Born in Shaanxi</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Li Zhanshu</td>
<td>1950</td>
<td>Director of the CCP General Office</td>
<td>Politburo member</td>
<td>Shaanxi native</td>
<td></td>
<td>Shaanxi party secretary, 2007–2012</td>
</tr>
<tr>
<td>Zhao Leji</td>
<td>1957</td>
<td>Director of the Central Organization Department</td>
<td>Politburo member</td>
<td>Shaanxi native</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Li Jianguo</td>
<td>1946</td>
<td>Executive vice chair, NPC</td>
<td>Politburo member</td>
<td>Shaanxi native</td>
<td></td>
<td>Shaanxi party secretary, 1997–2007</td>
</tr>
<tr>
<td>Ma Kai</td>
<td>1946</td>
<td>Vice premier</td>
<td>Politburo member</td>
<td>Grew up in Shaanxi</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chang Wenquan</td>
<td>1949</td>
<td>State councilor and minister of defense</td>
<td>CMC member</td>
<td></td>
<td>Stationed in Shaanxi as officer for 28 years, 1974–2002</td>
<td></td>
</tr>
<tr>
<td>Fang Fenghui</td>
<td>1951</td>
<td>PLA general chief of staff</td>
<td>CMC member</td>
<td>Born in Shaanxi</td>
<td>Stationed in Shaanxi for 35 years, 1968–2003</td>
<td></td>
</tr>
<tr>
<td>Zhang Youxia</td>
<td>1950</td>
<td>Director, PLA General Armament Dept.</td>
<td>CMC member</td>
<td>Shaanxi native</td>
<td></td>
<td></td>
</tr>
<tr>
<td>He Yiting</td>
<td>1951</td>
<td>Executive vice president, Central Party School</td>
<td>Full member</td>
<td>Born in Shaanxi</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zhang Baowen</td>
<td>1946</td>
<td>Vice chair of the NPC</td>
<td>Non-CCP</td>
<td>Born in Shaanxi</td>
<td>Collective farming</td>
<td>Vice president &amp; president, Northwestern Agricultural University, 1991–2000</td>
</tr>
<tr>
<td>Han Qide</td>
<td>1945</td>
<td>Vice chair of the CPPCC</td>
<td>Non-CCP</td>
<td></td>
<td>Local hospital, 1968–1979</td>
<td></td>
</tr>
</tbody>
</table>

NOTE: CC = Central Committee; CCDI = Central Commission for Discipline Inspection; CCP = Chinese Communist Party; CMC = Central Military Commission; CPPCC = Chinese People’s Political Consultative Conference; NPC = National People’s Congress; PLA = People’s Liberation Army; PSC = Politburo Standing Committee
Wang Qishan: Xi’s Longtime Close Friend and Most Effective Political Ally

Xi Jinping’s close relationship with Wang Qishan has arguably been the most important factor in the consolidation of Xi’s power and the implementation of his new policy initiatives since the political succession at the 18th Party Congress. It is unclear when Xi and Wang first met, but several Chinese sources reveal that they had already become close friends when both were sent-down youths in two neighboring counties in Yan’an more than 40 years ago. According to Zhang Siming, a Yan’an-based writer who interviewed Xi Jinping in 2002, Xi explained that on one trip to Beijing during the early period of his sent-down youth years, he stopped by the village where Wang Qishan lived, and slept over for one night during which they shared a single bed and blanket since the living conditions were so primitive. From time to time during their years in Shaanxi, Xi and Wang also exchanged books on economics and social sciences.

Wang Qishan, whose family origin is Shanxi Province (not Shaanxi Province), was born into an intellectual family in Qingdao, Shandong Province, in 1948. His father, a graduate of civil engineering from the prestigious Tsinghua University, worked as a senior engineer at the Ministry of Construction in Beijing beginning in the mid-1950s. Wang Qishan attended the No. 35 High School, which was known for producing some senior CCP leaders like former PSC member Song Ping and the former Politburo member and Beijing party secretary Li Ximin. In 1969, the same year when Xi went to Yan’an, Wang went there too as a sent-down youth. While in Yan’an, Wang fell in love with his future wife Yao Mingshan, a fellow sent-down youth from Beijing and a daughter of Yao Yilin. Yao Yilin was purged between 1966 and 1973 and later became executive vice premier and a PSC member.

Wang spent 10 years in Shaanxi, first as a farmer and later as an assistant at the Shaanxi Provincial Museum in Xi’an, then a student in the Department of History in Northwest University in the same city, and finally returned to the Shaanxi Provincial Museum as a researcher before moving to Beijing where he began to work at the Modern History Institute of the Chinese Academy of Social Sciences (CASS) in 1979. At that time, the CASS was an attractive place for princelings. In the Modern History Institute alone, Marshal Chen Yi’s son, Marshal He Long’s daughter, and PRC president Dong Biwu’s daughter-in-law worked as researchers.

During the three years that Wang worked at the CASS, he made many friends in the country’s reemerging circle of public intellectuals, and his main research interest switched to economics. He and three other young scholars (Weng Yongxi, Huang Jiangnan, and Zhu Jiaming), all in their late 20s and early 30s, wrote a comprehensive economic reform report in which they explored the periodic crisis of shortages in socialist economy—a previously taboo subject. The report was submitted to senior economic policy-makers in the top leadership such as Zhao Ziyang, Chen Yun, and Yao Yilin, who all offered very positive comments. Premier Zhao Ziyang invited them to a roundtable discussion of their report.

Because of these extraordinary activities, Wang and the three other scholars earned the nickname “the Four Gentlemen of the Reform Proposal” (改革四君子). Wang Qishan also
spent most of the summer of 1980 in Guangdong, as a guest of the provincial government, working on Guangdong’s pioneering economic reforms that would emerge as a model for China’s reform and opening up. As part of his work, he briefed provincial senior leaders including Governor Xi Zhongxun.45

Over the following two decades, Wang Qishan worked primarily in the domain of economic affairs, especially in the areas of agricultural and financial development. He served successively as president of the China Rural Trust and Investment Corporation, vice governor of the People’s Bank of China, and governor of the China Construction Bank. Wang has obtained a reputation in both China and abroad as a statesman with outstanding financial expertise.

Wang’s widely recognized nickname in China is “chief of the fire brigade” (救火队长). Knowing that Wang maintained such a great reputation among the Chinese public, former Secretary of the Treasury Timothy Geithner presented him with an authentic New York City Fire Department hat during Wang’s visit to the United States in 2011.46 The Chinese public has long regarded Wang as a leader who is capable and trustworthy during times of emergency or crisis—a “go-to guy” in the Chinese leadership for handling some of the country’s most daunting challenges. Examples include his appointment as executive vice governor of Guangdong in 1998 to handle the bankruptcy of a major financial institution in the wake of the 1997 Asian financial crisis, his appointment as party secretary of Hainan Province in 2002 to address the decade-long real estate bubble on the island, his transfer to Beijing at the peak of the SARS epidemic in the spring of 2003, and his role as mayor of Beijing during the 2008 Olympics.

There were three urgent challenges for Xi Jinping at the time he took power from Hu Jintao in November 2012: the rampancy of official corruption, the trial of Bo Xilai, and the slowdown of the Chinese economy. On all of these three fronts, Wang Qishan played an instrumental role in helping formulate Xi’s political and policy objectives and raising the public’s confidence in the new leadership.

From the first day of his tenure as general secretary of the party, Xi admitted to the world during the first press conference of his administration that rampant official corruption was ruining the CCP and the country. The fact that Wang Qishan took the position of secretary of the Central Commission for Discipline Inspection (CCDI) as part of the newly formed PSC meant that he was assigned to the most difficult—and arguably the most important—portfolio in the new PSC.

With the endorsement of Xi and the PSC, Wang quickly launched a remarkably tough anti-corruption campaign in the country, claiming that the new leadership was determined to fight both “flies” (corrupt cadres in lower levels of government) and “tigers” (high-ranking leaders). As for the “flies,” the CCDI announced that all levels of cadres are banned from spending public funds on luxurious banquets, alcohol, and cigarettes. They are required to return expensive gifts and free club-membership cards. Meanwhile, the CCDI and the Ministry of Supervision handled 172,000 corruption cases and investigated 182,000 officials in 2013, the highest annual number of cases in 30 years.47 According to
the data provided by the Supreme People’s Procuratorate, during the first 11 months of 2013, 27,236 cases were examined and 36,907 individuals were prosecuted.\(^{48}\)

The CCP Central Committee also issued the five-year anti-corruption plan by the CCDI, which specifies the supervision measures within the ruling party, through the legal system, citizen participation, administrative mechanisms, public opinion, and internet.\(^{49}\) Meanwhile, Wang also frequently reshuffled chiefs of the discipline inspection commissions at the provincial and ministerial levels and promoted the leaders he considered to be effective and trustworthy to more important posts.\(^{50}\)

As for the “tigers,” since about a year ago 19 ministerial and provincial-level senior leaders have been arrested, including four members (two full members and two alternate members) of the newly formed 18\(^{th}\) Central Committee.\(^{51}\) Many of the arrested leaders have had ties to the country’s most formidable special interest groups like the oil industry, including Jiang Jiemin, the minister who oversaw all major state-owned enterprises (SOEs) under the State-owned Assets Supervision and Administration Commission (SASAC). In addition, 30 executives of SOEs—including 20 CEOs—were arrested in 2013, representing various industries such as energy, transportation, telecommunications, finance, steel, and mining.\(^{52}\)

Some critics may be cynical about the methods employed in the anti-corruption campaign, which relies more on the CCP’s traditional campaign mechanisms rather than the legal system. Zi Zhongyun, a distinguished scholar and former English interpreter for Mao Zedong and Zhou Enlai, recently wrote that the current anti-corruption campaign could not effectively prevent corruption—not only because there are far too many corrupt officials in the country, but also because such a campaign might lead to power abuse and undermine the role of the legal system and emerging civil society.\(^{53}\) While Zi and like-minded critics have valid concerns, one may reasonably argue that this criticism is unfair on the grounds that one simply cannot expect to establish a legal system in China in a short period of time. The fact is that, as Zi herself recognizes in her article, the campaign has already transformed the behavior of Chinese officials. Also, in the defense of Wang Qishan, Wang himself stated explicitly that the anti-corruption campaign should mainly deal with symptoms (治标) now in order to gain the necessary time to find a way to cure the disease (治本) in the future.\(^{54}\)

It should be noted that the Third Plenum resolution did hold out promise for legal reforms, especially greater judicial independence. Under the current system local judges and secretaries of local discipline inspection commissions answer to local party chiefs, who exert political pressure on their decisions. Under the rule of Bo Xilai, for example, Chongqing city’s high court almost completely followed Bo’s orders. Abuse of power and police brutality became rampant in the city. The proposed vertical control of local courts by the national judiciary (and also the vertical control of local discipline commissions by the CCDI) should be seen as an encouraging policy move to prevent power abuse and strengthen the rule of law.
The second major challenge for Xi’s first year was the Bo Xilai trial, which both the Chinese and international media called China’s “trial of the century.” The Bo Xilai scandal was the largest legitimacy crisis for the CCP since the 1989 Tiananmen Square incident and widely perceived to be a “no-win” situation for the party leadership. The scandal revealed the fact that some high-ranking party leaders like Bo—China’s Gatsby—have decadent lifestyles filled with sexual escapades, drugs, money-laundering, and even murder.

Wang Qishan, the point person in the PSC who was in charge of the trial, responded to the challenge wisely in three respects: First, the trial focused on Bo’s corruption, not on his other unlawful behavior. Second, the court used social-media micro-blogging to disseminate the details of the courtroom proceedings, thus undermining criticism of lack of openness. And third, Bo’s verdict of life imprisonment seemed to be appropriate, neither too severe nor too lenient.

Bo Xilai and Zhou Yongkang, another heavyweight politician and former PSC member who is under investigation by the CCDI, are both princelings, and they were previously prominent figures in the Jiang camp. By taming these two previously ferocious “tigers,” Xi and Wang have not only made the important point that their anti-corruption campaign was not driven by factional politics, but they have also gained enormous support from the Chinese public.

The third challenge has been for Xi to leave a strong mark on the economic front. He has embraced as his mandate the “Chinese dream,” defined as the rejuvenation of the Chinese nation and the opportunity to realize a middle-class lifestyle. The overall objective of Xi’s new economic policy, as evident from the Third Plenum, is to make the private sector the “decisive driver” of the Chinese economy, to make the Chinese middle class happy, and to allow for more members of the lower class to attain middle-class status.

The financial reforms proposed at the Third Plenum, which encourage the establishment of private banks and joint ventures with foreign financial institutions, is perceived as the driving force for deepening market reforms. The financial liberalization will provide much-needed loans for private firms, especially those in the service sector. Wang Qishan’s expertise in finance and his international reputation make him indispensable to Xi. Furthermore, some of Wang’s protégés are now well positioned in China’s financial and economic leadership, including Minister of Finance Lou Jiwei, Governor of the People’s Bank of China Zhou Xiaochuan, Director of the Development Research Center of the State Council Li Wei, newly appointed Chairman of the Bank of China Tian Guoli, and newly appointed President of the Merchant Bank Tian Huiyu (Wang’s former mishu). All of the above observations show that Wang has been the most effective political ally for Xi, and their four-decade-long friendship seems to have had an impact far beyond the domain of personal and political associations.

Other Important Members of the Shaanxi Gang

Of the four Politburo members with a Shaanxi connection, two, namely Director of the CCP General Office Li Zhanshu and Director of the Central Organization Department
Zhao Leji, are often seen as Xi’s confidants. Based on the very important positions that they currently hold, their relatively young age, and their relationship with Xi, they are among the leading candidates for the next PSC at the 19th Party Congress in 2017.

Li Zhanshu was born into a Communist revolutionary family in Pingshan county, Hebei Province, in 1950. His grand-uncle served as vice governor of Shandong and secretary of the All-China Federation of Trade Unions, and several of his family members participated in the anti-Japanese war and the civil war. He gained very broad provincial leadership experience in different parts of China, including Hebei Province (north), Shaanxi Province (northwest), Heilongjiang Province (northeast) and Guizhou Province (southwest). From 1986 to 1990 he also served as secretary of the Hebei Provincial Committee of the CCYL. As he now serves as Xi’s chief of staff, the broad geographic reach of his leadership experience has proved invaluable. He can help Xi better coordinate provincial-level leadership across the region and make deals with the members of the so-called tuanpai faction as needed.

It was reported that the friendship between Xi Jinping and Li Zhanshu began about three decades ago, when Xi served as deputy party secretary and then party secretary of Zhengding county in Hebei from 1982 to 1985 and Li Zhanshu served as party secretary of Wuji county in the same province from ’83 to ’85. Both counties belong to Shijiazhuang prefecture and are geographically very close to each other. Li later spent five years in Shaanxi serving as director of the Organization Department of the provincial party committee, party secretary of Xi’an and deputy party secretary of Shaanxi Province. All of these factors help explain why Xi chose Li as his chief of staff on the eve of the 18th Party Congress.

From Xi’s perspective, Zhao Leji’s role as the man in charge of personnel appointments is perhaps equally as important as Li Zhanshu’s role in monitoring the operation of the decision-making circle. The CCP Organization Department is entitled to make appointments for several thousand senior positions in the party, government, military, SOEs, and other important institutions. It is not entirely clear to what extent Zhao’s own appointment to this position is the result of Xi’s support. Zhao has been seen as a rising star in the Chinese provincial leadership for more than a decade. According to some unverified sources, Xi Zhongxun and Zhao Leqi’s father were close friends.

Zhao appears to have a very strong “Shaanxi connection.” Some analysts have identified him as the “spokesperson of the Shaanxi Gang.” Zhao is a native of Shaanxi and speaks with a strong local accent. His brother Zhao Leqin also served as a local leader in Shaanxi for more than two decades, and his posts included party secretary of Shanyang County, deputy director of the Department of Transportation in the Shaanxi provincial government, and mayor of Hanzhong. Zhao Leqin was transferred from Shaanxi to Guangxi a few months after his brother was appointed provincial party secretary of Shaanxi. In January 2013, Zhao Leqin was appointed as party secretary of Guilin City, Guangxi. It remains to be seen how aggressively or cautiously Zhao Leji and his Organization Department will promote Xi’s protégés to important leadership posts in the months and years to come.
Neither Li Jianguo nor Ma Kai is seen as a protégé of Xi, but both are princelings, and their fathers served as leaders at the vice minister level. Both have some sort of Shaanxi connection. Li served as provincial party secretary of Shaanxi for 10 years before he passed the post to Zhao Leji in 2007. Over the following five years, Li served as vice chairman and concurrently secretary general of the NPC. Li’s gaining membership in the Politburo at the 18th Party Congress in 2012 was widely seen as a big surprise, as many analysts believed that, as his three predecessors did, Li would retire without obtaining a Politburo seat. Xi Jinping’s praise for Li’s work in Shaanxi might explain Li’s promotion. It is worth noting that Li delivered the keynote address at the forum commemorating the 100th anniversary of the birth of Xi Zhongxun. On the other hand, Ma Kai appears to have a very insignificant connection to Shaanxi as he grew up in Xi’an and attended an elementary school for the children of officials in the city (the school’s previous incarnation was Yan’an Cadre’s Children School, founded by Mao Zedong).

Table 1 shows that the Shaanxi Gang has four prominent PLA generals, three of whom serve on the very powerful CMC. Minister of Defense Chang Wanquan was stationed in Shaanxi as an officer for 28 years (1974–2002). Both PLA General Chief of staff Fang Fenghui and Political Commissar of the Navy Liu Xiaojiang were born in Shaanxi, and Fang was actually stationed in the province for 35 years (1968–2003). The geographical base of the senior military officers has long been a main source of factional makeup in the PLA. General Chang and General Fang apparently represent what some Chinese analysts call “the Northwest clique,” which competes with two other prominent region-based military factions, “the Northeast clique” and “the Jinan clique.” These three cliques constitute “a tripartite balance of military elites” (三系鼎立).

Director of the PLA General Armament Department Zhang Youxia and Political Commissar of the Navy Liu Xiaojiang are both princelings. Zhang Youxia’s father Zhang Zongxun was a close friend of Xi Zhongxun. During the civil war in the late 1940s, the former served as commander of the Shanganning Field Army and the latter served as political commissar of the same army. Later, the former served as vice commander of the Northwest Field Army (NFA) and Xi Zhongxun served as deputy political commissar of the NFA. After the Communist victory in 1949, Xi Zhongxun served as the first vice chairman of the Northwest Military Committee, in which Zhang served as a member. The friendship between their fathers also extends to Zhang Youxia and Xi Jinping. According to some overseas sources, Zhang Youxia is Xi’s most trusted friend in the CMC.

Liu Xiaojiang’s father and father-in-law both were close friends with Xi Zhongxun. Liu’s father Liu Haibing served as director of the Logistics Department in the Northwest Military Region in 1949 under Xi Zhongxun, who was the political commissar of the region at the time. Liu Haibing remained in Xi’an to work for many more years after Xi moved to Beijing in the early 1950s. Liu Xiaojing’s father-in-law, Hu Yaobang, former general secretary of the CCP, previously worked as first secretary of Shaanxi Province. When Hu was the director of the CCP Organization Department in 1977, he made it a top priority to vindicate the false charges against Xi Zhongxun and then appointed him to be secretary in Guangdong Province. A few years later, both men worked together in the Secretariat of the CCP Central Committee. When Hu Yaobang was purged by Deng
Xiaoping in 1987 because of his liberal approach to student demonstrations, Xi Zhongxun refused to criticize this longtime friend of his.\textsuperscript{67}

The ties between Liu Xiaojiang and Xi Jinping have not been shaped solely by their parents’ friendship. Both men were sent-down youth in Shaanxi during the same period. They had direct contact in the early 1980s when both worked in the PLA headquarters, where Xi served as mishu to Minister of Defense Geng Biao while Liu served as mishu to Deputy General Chief of Staff Liu Huaqing. It was reported that Xi and Liu have remained friends since that time.\textsuperscript{68}

The other four leaders listed in table 1 may attribute their recent appointments to Xi. It has been reported in overseas Chinese media that all have close personal ties with Xi, although it is not always simple to trace the time of their first interaction and how important the Shaanxi connection was in the development of their ties.\textsuperscript{69}

Vice Chairman and Secretary General of the NPC Wang Chen traveled to Shaanxi from Beijing as a sent-down youth in 1969, at exactly the same time that Xi Jinping went there. Wang served as a mishu in the Yan’an prefecture party committee in 1973–74 when Xi worked as a grassroots party secretary in the region. When Xi was in charge of the CCP Secretariat between 2007 and 2012, Wang served as the director of the CCP Foreign Publicity Office. Wang took over Li Jianguo’s posts in the NPC in 2013 when Li became a Politburo member. This suggests that Wang will likely have the opportunity for the same promotion in the 19\textsuperscript{th} Party Congress.

He Yiting served as a close aide to Xi for many years and was often seen as a top speech drafter (文胆) for Xi. The second part of this series will have a more detailed discussion of his role and influence. Soon after Xi became party boss, he appointed He Yiting to be executive vice president of the powerful Central Party School.

Zhang Baowen and Han Qide are both non-CCP leaders who serve in the national leadership. Zhang was born in Shaanxi, and he worked there for over 30 years. An expert on agriculture, he received a master’s degree in agronomy from Minnesota University in the United States and served as president of the Northwestern Agricultural University in Xianyang City, Shaanxi, for many years. He served as deputy secretary general of the Chinese People’s Political Consultative Conference (CPPCC) for five years before he was appointed vice chairman of the NPC in 2013.

A distinguished medical doctor who served as president of the Beijing Medical University, Han Qide worked as a physician in a number of clinics in Lintong County in Shaanxi for over 10 years early in his career (1968–1979) and received his master’s degree from Xi’an Medical College. Han has served as chairman of the China Association for Science since 2006, and has had many direct contacts with Xi in this capacity. Han was vice chairman of the NPC between 2008 and 2013. He was expected to retire after that posting, but instead moved to the CPPCC where he now serves as vice chairman. For both Zhang Baowen and Han Qide to have switched between the NPC and CPPCC in order to remain in the national leadership is an unusual occurrence in these times, and may
be a result of Xi’s favorable views of these two accomplished scholars turned political leaders.

This discussion, especially the meticulously tracked familial and personal associations between Xi and other members of the Shaanxi Gang, reveals the importance of native ties in Chinese politics. But this birthplace-based political network is only one part of Xi’s broad base of political resources. The next article in this series will explore the other important political associations that Xi has developed throughout his career and their role in his current efforts to consolidate power.

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Notes
1 The author thanks Yinsheng Li and Ryan McElveen for their research assistance and helpful comments on an earlier version of this article.
4 The exception, Zeng Peiyan, also later became a Politburo member and vice premier in the State Council.
6 For the reason of the landslide victory of the Jiang camp, see Cheng Li, “Rule of the Princelings” The Cairo Review of Global Affairs, no. 8 (Winter, 2013): 34–47.
7 Based on the Chinese political norms, at the next party congress, in the fall of 2017, all leaders who were born in 1949 or earlier will retire from the Central Committee. Among the current seven members of the Politburo Standing Committee, only Xi Jinping and Li Keqiang were born after 1950.
9 For President Obama’s heavy reliance on his classmates from his Harvard years, see Carrie Budoff Brown, “School Buds: 20 Harvard Classmates Advising Obama,” Politico, December 5, 2008, also see http://www.politico.com/news/stories/1208/16224.html, accessed January 14, 2014. Some of the individuals from these political networks overlap. For example, Chris Lu, who was Obama’s Harvard classmate, also served as his staffer at the Senate before joining the White House as the secretary of the cabinet.
10 Kornblut and Wilson, “Obama’s Inner Circle about to Break Open.”


As for the international audience, Xi introduced Liu He, one of his top aids on economic affairs, to then U.S. National Security Adviser Tom Donilon in the fall of 2013. Xi said: “This is Liu He. He is very important to me.” Quoted from Bob Davis, “Meeting Liu He, Xi Jinping’s Choice to Fix a Faltering Chinese Economy,” Wall Street Journal, October 6, 2013, also see http://online.wsj.com/news/articles/SB10001424052702304906704579111442566524958, accessed January 15, 2014.


14 In the study of Xi Jinping’s political associations, Hong Kong–based Mirror Books has published a large number of books, good examples of which include Xiang Jiangyu 相江宇, Xi Jinping’s Confidants (习近平班底, New York: 2011); Xiang Jiangyu 相江宇, Xi Jinping’s Team (习近平的团队, New York: 2013); Ke Lizi 柯里兹, People Who Influence Xi Jinping (影响习近平的人, New York: 2013); Wen Zixian, 文子獻, Xi Jinping’s Choice (习近平的选择, New York: 2012); and Liang Jian 梁剑, New Biography of Xi Jinping (习近平新传, New York: 2012). For some other publishers, see Wu Ming 吴鸣, China’s new leader: Biography of Xi Jinping (中国新领袖：习近平传), new enlarged edition (Hong Kong: Wenhua yishu chubanshe, 2010).

15 In Chinese customs, people often identify themselves as natives of a place in terms of where their parents (and grandparents) came from (祖籍), not necessarily where they themselves were born (出生地). This explains why family geographical origins play a very important role in Chinese people’s heritage and habits, forming various sub-cultural identities.


17 Other countries have similar areas, as in the United States, where Virginia is considered to be the “mother of Presidents.”


19 For an earlier discussion of the origins of the CCP leaders, see Franklin W. Houn, “The Eighth Central Committee of the Chinese Communist Party: A Study of Elites,” American Political Science Review, 51 (June 1957); Jurgen Domes, “The Ninth CCP

20 As a result of Deng’s recommendation, Yang Rudai, then provincial party secretary of Sichuan, served as a Politburo member at the 13th Central Committee in 1987. When Deng planned to promote Xiao Yang, then governor of Sichuan, for membership on the 14th Politburo in 1992, Xiao was eliminated in the election for full membership of the Central Committee and thus failed to obtain a seat in the Politburo.


24 It was unclear whether the strong representation of Shandong natives in the senior military leadership in China in the 1990s was due to the fact that many Shandong guerrillas joined the CCP and the PLA in the late 1940s (and then became top officers 40 some years later) or because of regionally based favoritism in elite promotion, or for other reasons.


27 For example, the Chinese official media reported that Xi is particularly fond of the cuisines of two regions: his native Shaanxi and his wife’s birthplace, Shandong. See Zhang Xinzhu 张馨竹, “Xi’s ‘Chinese Soccer Dream,’” (习近平的“中国足球梦”), *China Newsweek* (中国新闻周刊), March 29, 2013, also http://insight.inewsweek.cn/report-8713-page-all.html, accessed January 18, 2014. For the “yellow earth attachment,” see Liang, *New Biography of Xi Jinping*, p. 105.


29 Xi Zhongxun spent these 16 years between Beijing (in the Central Party School) and Henan Province’s Luoyang City, where he served as a deputy factory director. Liang, *New Biography of Xi Jinping*, p. 54.
When Xi Zhongxun moved to Beijing in the fall of 1952, his wife, who was already pregnant, remained in Yan’an for several more months. When she joined Xi Zhongxun in Beijing the following year, Xi Jinping was born. Two years later, their youngest son, Xi Yuanping, was also born in Beijing. Both Xi Jinping and Xi Yuanping have the name “ping”, reflecting their birthplace of Beiping (now called Beijing). Liang, *New Biography of Xi Jinping*, p. 34.

Yan’an Daily (延安日报), August 20, 2007, p. 1; also see Liang, *New Biography of Xi Jinping*, p. 104.

Jiang, “The Emergence of the Shaanxi Gang in the Chinese Leadership.”


Jiang, “The Emergence of the Shaanxi Gang in the Chinese Leadership.”


Zhang, “The man who paddles at the incoming tide.”


According to the recent report published in China, Wang Qishan and Yao Mingshan knew each other in Beijing before their sent-down years in Yan’an. See Zhang Lei, “The man who paddles at the incoming tide.”

Zhang, “The man who paddles at the incoming tide.”


Ibid. Weng Yongxi 翁永曦, former deputy director of the Agricultural Policy Research Office of the CCP Central Committee, is now an entrepreneur, deputy director of the Management Committee of the Agricultural Development Fund, and a guest fellow at the Institute of International Relations at Peking University. Huang Jiannan 黄江南, former deputy director of the Foreign Trade Committee of the Henan provincial government, is now vice chairman of the U.S. Chardan China Acquisition Corp. Zhu Jiaming 朱嘉明, former deputy director of CITIC International Studies, now teaches at the University of Vienna.
Wu and Lin, “Changing Roles of Wang Qishan.”


Xiang, Xi Jinping’s Team, p. 204.

Unverified sources have stated that Zhao Leji’s father was Zhao Shoushan, who served as Shaanxi governor in the 1950s, but Zhao Shoushan, who was born in 1894, seems too old to have been Zhao Leji’s father. Zhao Shoushan’s close relationship with Xi Zhongxun, however, is well documented. Li Jingning 李景宁, “Xi Zhongxun and Zhao Shoushan” (习仲勋和赵寿山), Glory World (炎黄世界), No. 3, 2012; also see http://news.ifeng.com/history/zhongguoxiandaishi/detail_2013_01/23/21513395_0.shtml, accessed January 21, 2014. According to another, unverified source, Zhao’s father used to be president of the Shaanxi Education Publishing House. See Xiang, Xi Jinping’s Team, p. 235.


Li Jianguo is a protégé and mishu of Li Ruihuan, former chairman of the CPPCC and PSC member. Ma Kai has been seen as a protégé of Wen Jiabao.


Xiang, Xi Jinping’s Team, p. 546.


Xiang, Xi Jinping’s Team, p. 571.

Jiang, “The Emergence of the Shaanxi Gang in the Chinese Leadership.”