

Understanding Xi Jinping's 'reform and opening up'

In a new [Explainer](#) released on 17th September 2024 by the Council on Geostrategy entitled 'How should we understand Xi Jinping's 'reform and opening up'?', Charles Parton explores Chinese modernisation and how influential Xi's latest approach to reforming and opening up the People's Republic of China (PRC) will be.

The 2024 Third Plenum, held in July, provided Xi Jinping, General Secretary of the Chinese Communist Party (CCP), with an opportunity to outline how the CCP will set about reforming and opening up to help it become 'a great modern socialist country in all respects'. In this Explainer, Parton begins by tracing Chinese modernisation, noting how the plenum documents and leaders' post-plenum pronouncements suggest the economic, political, legal, social and cultural 'reforms' are less 'epochal' than suggested by rhetoric.

Parton suggests that Xi trusts that ensuring continued, sustainable economic growth in the PRC can be achieved through innovation and 'new high-quality productive forces'. But with most innovation coming from the private sector, and Xi 'not loosening his grip on private companies', Parton raises larger concerns about the viability of the current political-economic model in realising Xi's vision of innovation-led growth.

Since 1978 change and improvement have owed much to bottom up, local initiatives, often carried out in defiance of existing government rules, and only later accepted to form part of government orthodoxy. Xi's centralisation of power discourages this form of innovation.

This Explainer notes that the science and technology sector is the only area where the CCP has talked about 'loosening control'. It also revisits the reforms outlined in the 2013 plenum such as changes to administration and authorisations, the state-owned sector, finance and taxation, and rural land reform. Parton links the lack of substantive progress towards these reforms with the CCP's fear of potential social unrest, as well as a plateauing domestic economy and unfavourable foreign relations.

Opening up, meanwhile, is labelled by Parton as mostly a 'continuation of a forty-year-old model' due to 'nothing new' being suggested by this year's plenum Resolution. Parton acknowledges the PRC is a different world to that which existed during 1978's Third Plenum, but admits that the opening up outlined in the Resolution suggests no 'deviation from the intention to decouple wherever possible' alongside a continuation of seeking to gain the technological expertise and know-how of other countries.

That is not to say that foreign companies have not benefited over the years, and some may continue to do so. But the direction of CCP intention and travel is clear, the benefits may be harder to accrue, and geopolitics will increasingly obtrude.

Parton concludes the Explainer by emphasising the ‘reform and opening up’ model of Chinese modernisation that is, at least rhetorically, being pursued by Xi and the CCP, is more a hope that streamlining and controlling the current systems will bring about the goal of ‘a great modern socialist country in all respects’ by 2049.

Representatives of the Council on Geostrategy are available for broadcast interviews and comments. Please reach out to our Media Officer for more information:

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