

Xi Will Adopt a More Oracular Leadership Style

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What We're Watching

Xi Jinping is subtly shifting his governance style. He is beginning to adopt an approach of “delegated centralization,” in which he cedes none of his centralized authority but progressively delegates more of the finer points of policymaking to trusted aides. This move to a more “oracular” leadership position, which resembles the model of Mao Zedong and Deng Xiaoping, is likely to only further secure Xi’s power. But it will also increase the volatility of policymaking in Beijing and reduce the scope for effective diplomacy with China.



The Context

Both Mao and Deng increasingly eschewed day-to-day politics as they aged in favor of paying more attention to political grand strategy. Xi began showing signs of following a similar pattern in 2023, including delegating more duties and decisions to close confidants such as Li Qiang, Cai Qi, He Lifeng, and Chen Yixin. He has also attended fewer domestic policy meetings and made fewer trips abroad compared to the same point in his previous two terms in office.

Xi has focused more of his time on culture, ideology, Party building, and touring the country to evaluate policy implementation. He appears to have placed greater trust in his lieutenants, for instance allowing Li Qiang to advance more business-friendly policies in the State Council, and delegating the task of pursuing more robust national security policies to leaders such as Cai Qi.

Rather than showing political weakness, this shift reflects the dominance of Xi’s position following his factional sweep of the 20th Party Congress. He has surrounded himself with close political allies and ousted his potential rivals. A more oracular style now allows him to conserve energy as he ages, further control access to himself, deflect blame for anything that goes wrong, and preserve his dominance by balancing governance responsibilities among emerging sub-factional networks.

This may result in greater political volatility and more questionable policymaking, however, with Xi relying on an ever-closer circle of trusted advisors who increasingly compete for his favor. It may also limit the impact of international diplomacy by further isolating Xi — still the ultimate decision-maker despite appearances — from the outside world.

What to Expect in 2024

- We will see more of this oracular style in 2024, with more accompanying confusion and volatility. For example, while investors and multinationals may see some upside in terms of a looser approach to intervention in the economy, a greater number of independent policymaking centers may compete to win Xi's favor by demonstrating their fervent commitment to what they interpret to be his priorities — such as by launching security-related crackdowns.
- Xi will travel abroad mostly only for major summits in friendly countries, such as to the Shanghai Cooperation Organization (SCO) in Kazakhstan, BRICS in Russia, G20 in Brazil, and Asia-Pacific Economic Cooperation (APEC) in Peru.
- Other leaders, especially Premier Li Qiang, could travel more to conduct diplomacy with U.S. allies in Asia and Europe. This would reflect a shift to focus diplomacy with the West on trade and investment, while saving geopolitical energy and strategic engagement for China-friendly forums more aligned with developing countries.