China in the Year 2020: Three Political Scenarios

Cheng Li


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Progressing toward the year 2020, China’s political structure is unlikely to develop along a direct, linear trajectory. Just as China’s rapid economic development and global integration shocked the world over the past two decades, so too might the country’s future political course defy projected expectations. Three possible scenarios for 2020 are presented in this essay.

Which road China ultimately takes will depend on the interplay of current political trends, key players in decisionmaking roles, and demographic factors that will be important in the future.

**POSSIBLE SCENARIOS**

- *The emergence of a democratic China* ～ A wealthier and better-educated middle class, a stronger currency, and a more robust civil society, among other phenomena, lead to greater cultural and political pluralism.

- *Prolonged chaos* ～ Economic disparities among urban and rural populations, rampant corruption among the elite, health crises, and environmental degradation trigger intense socio-political and economic crises that undermine the stability of the Communist regime.

- *A resilient, authoritarian China* ～ Problems among the world’s democratic countries make democracy less appealing to the Chinese people, while stable development strategies by the party-state are necessary for growth and economic stability, further entrenching the ruling power of the CCP.
In May 1990, when the former Soviet Union was undergoing fundamental changes, Walter Laqueur, a scholar of Russian politics, was hesitant to make political predictions concerning the Soviet Union: “Political predictions are easiest to make when they are least needed—when the political barometer points to continuity. They become more difficult at a time of rapid and violent change.”

Laqueur’s insightful remarks about the Soviet Union are equally true for any analysis of China’s present and possible future. During the first three decades of the People’s Republic of China (PRC), no other future seemed possible except the perpetuation of the status quo. Observers did not have the slightest doubt about the continuation of socialist planning in China’s economy and Communist rule in the political life of the country. Today, however, there are a variety of possibilities regarding this rapidly changing country. China’s economic rise during the last three decades has been a fascinating development—and a big surprise—in world affairs. China, a country previously known for its economic backwardness and international isolation, has been transformed into the world’s foremost frontier of economic globalization. Will China give the world another big surprise in the political realm in the years to come?

An understanding of various possible future political scenarios for the PRC in the medium term is critically important for the international community—especially the United States, as such knowledge will help decisionmakers in Washington to formulate better policy options. If Washington’s vision is narrow, U.S. options will be inadequate; if Washington’s views are distorted, so too will be U.S. policies.

This paper presents three possible political scenarios for China in 2020. The scenarios range from the most optimistic, in which the country will become a stable constitutional democracy, to the most pessimistic, in which China will collapse and be left in a state of prolonged civil war, domestic chaos, and massive human exodus. Somewhere in the middle is perhaps the most commonly perceived forecast: with its combination of a market economy and an authoritarian political system, China will largely remain the same in the medium term as it is today—although this combination will be far more institutionalized than at present.

There are four clarifications to keep in mind when considering these scenarios. First, although one political scenario can lead to another, China’s

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political trajectory will by no means develop along a linear trajectory. The
country can embark on one path without necessarily experiencing another.
Second, despite enormous differences in these three contrasting scenarios,
all three of these futures share some factors and trends. Examples include
the strong impact of the information and technology revolutions, China's
demographic challenges, cultural and social pluralism, and the continued
growth of nationalistic sentiment. Third, this analysis does not necessarily
exhaust all possible scenarios. Students of Chinese politics must live with
complexity, tolerate ambiguity, and expect uncertainty in their pursuit of
understanding politics in the world’s most populous country. Fourth, while
all these scenarios are possible, they are not all equally probable. This author
believes that the most likely scenario in 2020 will be the emergence of a
constitutional democracy with Chinese characteristics.

Scenario One: The Emergence of a Democratic China

Chinese democracy will almost certainly have its own unique
features. Institutional checks and balances, political choice, the rule of law,
constitutionalism, an independent media, and civil liberties are, however, the
essential components of any democracy. Two sets of factors have the potential
to contribute to the birth of Chinese democracy in the next decade or so.
The first set of factors centers on socio-economic and political dynamics
in Chinese society; the second set of considerations involves a number of
profound, if often poorly understood, changes in China's political system,
especially within the Chinese Communist Party (CCP).

Dynamics in society: urbanization, the middle class, and the information
revolution～ In the next two or three decades, approximately 300–400
million Chinese people are expected to move from the countryside to urban
areas. The urbanization rate of the country is projected to increase from 39%
in 2002 to 60% by 2020. Two sets of factors have the potential
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2 Xinhua News Agency, “China’s Urbanization Rate to Grow to 60 Percent in 20 Years,” May 21, 2001
countries at that time. This is a conservative estimate; according to Lin Yifu, a prominent economist at Peking University, China’s per capita income will likely reach $6,320 in 2020, compared with $1,730 in 2005. Furthermore, if the Chinese currency appreciates every year at a pace of 3%, per capita income in China will probably hit $9,800 by the year 2020.

Ironically, China analysts generally did not recognize the existence of the Chinese middle class until the late 1990s. At the close of the twentieth century, however, with a large and growing number of urban Chinese privately owning homes and cars, analysts both in China and abroad suddenly began to take note of the existence of a Chinese middle class. A recent report by McKinsey & Co. estimates that by 2025 China’s middle class will consist of about 520 million people.

Furthermore, the ongoing technology revolution is changing the way in which information and ideas are disseminated within the world’s most populous country. The number of mobile phones in China, for example, has grown exponentially over the past fifteen years, from 48,000 in 1991 to over 480 million in 2007—a penetration rate of 35.3%. The number of Internet users reached 123 million in 2006, second only to the United States. All of these statistics are even more impressive considering that twenty years ago there was no mobile-phone network and the penetration rate of fixed phones in China was only 0.6%. Experts believe that one billion Chinese people—approximately 70% of the country’s population—will use cell phones by

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3 According to the World Bank, due to the expected adjustment of the exchange rate between the Chinese yuan and the U.S. dollar, China’s GDP per capita may be US$5,900 by 2020. See Jingji canke bao, April 16, 2003, 1.
6 Quoted from “The McKinsey Report: China’s Middle Class Is Rising Rapidly and Will Reach 520 Million by 2025,” Zhongguo jingying bao, July 9, 2006, 1. According to this McKinsey report, the percentage of the Chinese urban families that have an annual income below 25,000 yuan will drop from 77% in 2006 to 10% in 2025. For a comprehensive discussion of the definition of the middle class in China, see Zhou Xiaohong, et al., Zhongguo zhongchan jieji diaocha [A Survey of the Chinese Middle Class] (Beijing: Shehui wenxian chubanshe, 2005).
8 The penetration rate of 0.6 per one-hundred people refers to the year 1985. See Zheng Qibao, ed. Cong longduan dao jingzheng—Dianxin hangye guizhi lilun yu shizheng yanjiu [From Monopoly to Competition: Empirical Study and Theoretical Discussion of the Telecommunications Industry] (Beijing: Posts and Telecommunications Press, 2005), 344.
the year 2020. This number will exceed that of the United States, Europe, and Japan combined. Perhaps no one today can envision what kinds of information cell phones will transmit to customers in the year 2020. With such unprecedented telecommunication penetration paired with continued technological innovation, no government can effectively control the flow of information.

Even today, despite the best censorship efforts of the Chinese government, the Chinese people are to a certain extent able to access a tremendous amount of information from both the Chinese and foreign media. The recent announcement by Premier Wen Jiabao of the decision to relax the regulations applied to foreign journalists in China before the 2008 Olympics reflects the trend of a growing demand for press freedom in the country. The number of China-based foreign journalists increased from less than fifty in the mid-1990s to more than six hundred in 2006. Expectations are that more than ten thousand foreign reporters will come to China to cover the 2008 Olympics. The quest for an independent media will not be limited to the foreign journalists in the country. The ongoing commercialization of the Chinese media will in all likelihood lead to greater cultural and political pluralism in the country.

Also important to note is that civil society groups and non-governmental organizations (NGO) are no longer banned in China. In 2005, there were some 280,000 registered NGOs in the country, including some 6,000 foreign NGOs, according to statistics from the Ministry of Public Affairs. Ten years ago such figures would have been unimaginable. During the past decade the number of registered lawyers and law school students has also increased significantly. The number of enrolled students (including part-time students) at Peking University Law School in 2004 equaled the total number of law students

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11 Paul Mooney, “How to Deal with NGOs—Part I, China: Mindful about Political Unrest, China Keeps a Close Watch on Its NGOs,” YaleGlobal August 1, 2006 ~ http://yaleglobal.yale.edu/display. article?id=7902.

12 Ji Shuoming and Wang Jianming, “Zhongguo weiquan lushi fuzhixianfeng” [China’s Lawyers for Human Rights Protection: Vanguards of the Rule of Law], Yanzhou zhoukan 19, no. 52 (December 19, 2005) ~ http://www.yzzk.com/cfm/Content_Archive.cfm?Channel=ae&Path=2179987442/ 52ae1a.cfm. In the early 1980s, there were only 3,000 lawyers in a country of over one billion people. In 2004, 217 PhD candidates, 1,128 master’s degree students, and 704 undergraduates were enrolled in Beijing University’s law school. In addition, the school had 1,200 part-time graduate students and 17,044 part-time undergraduates. In 2004, China had a total of 11,691 registered law firms, comprised of some 114,000 lawyers.
trained at the school during the past 50 years combined. Over the past ten years a large number of students at the law school regularly participated in the legal aid program, which provides various forms of legal assistance to poor and vulnerable citizens.

An important new phenomenon in China today is that many lawyers and legal professionals devote their careers to protecting the interests of vulnerable social groups. A new Chinese name, “lawyers for human rights protection” (weiquan lüshi), was recently created to describe this emerging group. Despite government harassment and even occasional arrests, these lawyers have traveled across the country to support each other and help the underprivileged take legal action against the rich and the powerful. Their courageous activities have greatly enhanced public awareness of the rights and interests of citizens. It is reasonable to expect that lawyers will become an even more important political force by the year 2020. Some will continue to work outside the political establishment to challenge abuses of power, while other activist lawyers may become political leaders.

Dynamics in the political system: Chinese-style checks and balances? In 2020, the so-called fifth-generation leaders—those who were born in the 1950s and early 1960s—will likely rise to the highest levels of the Chinese government. Meanwhile, the Chinese leadership will become increasingly diversified in terms of professional background and political experience. Entrepreneurs—i.e., capitalists—will constitute an important part of the governing elite in 2020. Even today, the Chinese Communist Party consists of many capitalists; a recent official study found that 34% of the owners of private enterprises in 2004 were CCP members. Perhaps even more astonishing, another recent study showed that 35% of the five hundred richest people in China in 2006—all of whom are multi-millionaires or even billionaires—are CCP members.

Furthermore, foreign-educated returnees (haiguipai) will also compete for high offices. According to China’s Ministry of Education, between now and 2020 China will send an increasingly large number of students to study abroad, principally in the West. Since the year 2000, about 120,000 Chinese students have gone to study abroad every year. The annual number is expected

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14 Ibid., 15.


to increase to 300,000 in 2020. These foreign-trained returnees will contribute to the international diffusion of norms and the spread of democratic ideas in China.

The most important political change occurring in China is not the growing diversity of the political leaders but the incremental trend toward checks and balances in the leadership. Chinese political leaders are not a monolithic group with the same values, outlooks, and policy preferences. One of the most fascinating characteristics of China’s political landscape at present and in the near future is the emerging “bipartisanship” in the Chinese Communist Party, which is structured by checks and balances between two major, informal coalitions or factions within the Chinese leadership (what could be called a “one party, two factions” formula).

For the first time in the history of the PRC the ruling party is no longer led principally by a strongman, such as Mao or Deng, but instead consists of two competing elite groups. These two groups can be identified as the “populist coalition” led by President Hu Jintao and Premier Wen Jiabao and the “elitist coalition” led by ex-president Jiang Zemin and the current vice president, Zeng Qinghong. Top Chinese leaders have begun using the term “inner-party democracy” (dangnei minzhu) to describe the idea that the party should institutionalize checks and balances within its leadership.

These new factional dynamics have four main features. First, the two coalitions represent two different socio-political and geographical constituencies; for example, the elitist group represents the interest of the coastal region (what could be called China’s “blue states”), while the populist coalition often voices the concerns of the inland region (China’s “red states”). Second, the two coalitions have contrasting policy initiatives and priorities. The elitist coalition prioritizes GDP growth while the populist coalition advocates social justice and social cohesion. Third, these two elite groupings are almost equally powerful, partly because their expertise and leadership skills are complementary to each other. Fourth, though competing with each other on certain issues, these groups are willing to cooperate on others—in part because leaders in both groupings realize that they are in the same boat: they have the shared goals for the survival of the CCP at home and for China’s rise abroad. This need to cooperate occasionally also makes “bipartisanship

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with Chinese characteristics” a sustainable proposition for the near to middle term.

This political mechanism, however, will not remain stagnant. This dynamic mechanism will inevitably make political lobbying more transparent, factional politics more legitimate, and elections more regular and genuine. If so, it is not difficult to imagine that the CCP will split along the lines of an elitist coalition and a populist coalition after about fifteen more years of this inner-party bipartisanship. Largely because of the incremental nature of this institutional development, this split can be achieved in a non-violent way. In 2020 the elections and competition within the CCP may extend to general elections in the country; consequently, the intra-party democracy will be transforming into a constitutional democracy.

**Scenario Two: Prolonged Chaos**

A transition to democracy in the world’s most populous nation will almost certainly not be easy. One of the gravest concerns regarding China’s quest for political democracy is that the transition may be painful and violent and could result in prolonged chaos. Chaos may even haunt China with or without any drastic democratic transformation. The status of prolonged chaos has more to do with the daunting demographic challenges that China will confront in the years to come.

Though China’s problems abound, enormous economic disparity has probably become the most daunting problem the country now faces. Within a generation China has been transformed from one of the most equitable countries in the world in terms of income distribution to one of the least equitable. In addition, rampant official corruption, growing rural discontent, environmental degradation, major health crises, the absence of a social safety net, and frequent industrial accidents all seem to suggest that the Chinese regime is sitting atop a volcano of mass social disturbance.

The ongoing large-scale urbanization in China is not only creating an urban middle class, but also increasing the number of urban poor and unemployed people. Population pressures will be overwhelming as the country’s working-age population reaches 955 million by 2020, compared with 732 million

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China’s economic development cannot generate enough jobs to absorb so many people. In addition, demographic conditions will deteriorate. Sinologists widely note that while 20% of the world’s population lives within China’s borders the country possesses only 7% of the world’s arable land, 7% of the world’s freshwater, 3% of the world’s forests, 2% of the world’s oil, and 1% of the world’s natural gas. China is likely to be more susceptible to serious natural resource shortages in the years to come. According to official figures, among the forty-five kinds of principal mineral reserves that China possesses only six will be sufficient to meet the country’s needs in 2020.

Meanwhile the middle-class lifestyle in the urban areas will make China’s environmental challenges more acute. Today China is already the third-largest auto market in the world, and motor vehicles consume one-third of the country’s oil. The number of registered motor vehicles in Beijing, for example, increased from 564,000 in 1993 to 2.7 million in 2006, and one thousand new cars hit the streets each day. Automobiles are estimated to be responsible for one-half of the city’s air pollution. Nationwide, approximately 300 million people lack access to clean drinking water and 400 million people live in areas with dangerously high levels of air pollution. One-third of China’s land has been polluted by acid rain. Some scholars in environmental studies believe that China may need to deal with 20 to 30 million environmental refugees every year by the year 2020 or 2025.

China’s current medical and health service system is woefully inadequate for all but the affluent. The Chinese leadership recently acknowledged that over the past decade health care reform, which introduced a market mechanism to replace the previously state-centric method, has largely failed. At present approximately 45% of urban residents and 80% of the rural population do not have medical insurance of any type. To make the situation even worse, China is rapidly becoming an aging society. According to a recent study, the elderly (defined as those over the age of 60) comprise roughly 12% of China’s total population.

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21 Ma Ling and Li Ming, *Wen Jiabao* (Taipei: Lianjing chubanshe, 2003), 44.


population, but by 2020 this number is projected to increase to roughly 17% (about 243 million people).

Any of these demographic and environmental challenges can be a triggering factor that intensifies socio-political and economic crises and leads to possible prolonged chaos. There are, of course, many other triggering factors, including grand-scale corruption scandals, tensions between the central and local governments, conflicting interests between civilian and military leadership, a global financial crisis that may hit the Chinese middle class particularly hard, ethnic frictions in Xinjiang and Tibet, Chinese xenophobia against foreign companies, military confrontation across the Taiwan Strait or with Japan, and a possible nuclear disaster on the Korean Peninsula. Each of these factors could undermine the stability of the Chinese regime. The information explosion facilitated by the telecommunications revolution will not only spread democratic views and values but will also disseminate demagogic messages and sensational rumors.

Around 2022 the fifth generation of Chinese leaders will have served two terms, and they will likely pass power to the so-called sixth generation of leaders who are mainly from single-child families. The sixth-generation leaders, though probably cosmopolitan and well educated, are characteristically incapable of dealing with crises. Consequently, a series of events may take place in 2020: the central government loses its control over provincial administrations, the CCP no longer functions, the military splits, civil war breaks out, hoodlums cause looting all over the country, and a massive Chinese exodus leads migrants to every corner of the world.

**Scenario Three: A Resilient, Authoritarian China**

The previous pessimistic scenario is primarily based on a consideration of the unfavorable demographic conditions in China. The dearth of natural resources and environmental degradation certainly present serious long-term challenges for China, but they will not necessarily lead to chaos and the collapse of the country. Some of the most remarkable economic miracles in the past half-century occurred in countries that are known for their shortage of natural resources. The most obvious examples are Japan, China, and India. Japan’s success also indicates that remarkable economic development can be achieved without an environmental catastrophe.

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In addition, current top Chinese leaders have already done more than any of their predecessors to draw public attention to many of the country’s pressing demographic, environmental, and social challenges. To a great extent, in the past few years Hu Jintao and Wen Jiabao have changed China’s developmental strategy from an obsession with GDP growth to greater attention to environmental concerns and the need for social harmony. Foreign observers should not underestimate the adaptability of the Chinese leadership. China’s authoritarian system is not stagnant; instead, its resiliency—its constant ability to adjust to new environments and its introduction of some legal, administrative, social, and political reforms—may actually make the system sustainable. This is what Andrew Nathan characterizes as “China’s resilient authoritarianism.”

The Hu-Wen administration recently proposed some new developmental strategies that may contribute to the continued growth of the Chinese economy in the next decade and beyond. These strategies include: more balanced regional development, domestic demand-driven growth, technological research and innovation (especially in the areas of biotechnology and nanotechnology), and the overseas expansion of Chinese firms. A more sustainable economic development—and a more equal distribution of resources and wealth in the country—will give the Chinese Communist Party more “political capital” and thus more legitimacy for its rule.

Meanwhile the various problems in democratic countries—such as increases in economic disparity, corruption (including scandals in campaign financing), political nepotism, election flaws, inefficiency, and what Fareed Zakaria calls the worldwide tendency for “illiberal democracy”—will make democracy less appealing to the Chinese people, elites and masses alike. In the eyes of many, an authoritarian, stable, and prosperous China can be a credible political alternative to Western models of democracy.

Some major events en route to 2020—most noticeably the 2008 Beijing Olympics, the 2010 Shanghai World Expo, the possible 2018 FIFA World Cup in China, and the 2020 landing of China’s lunar rover (or even astronauts) on the moon—will further magnify the governing capacity of the ruling party. The above developments and hypotheses suggest that by 2020 China will neither have made the transition to democracy nor have become chaotic.

Instead, China will remain under the authoritarian rule of a 99-year-old Chinese Communist Party.

**Conclusion**

What China’s domestic political landscape will look like in the year 2020 will largely depend on the interplay of current political trends, the new players who have recently emerged, and the demographic factors that will be important in the future. There exists reliable information and basic knowledge about all of these variables. Clear is that China confronts many serious problems, none of which has an easy solution. It is reasonable to expect a high level of contentiousness and conflict to persist in China over the decade to come. At the same time, however, China is on the rise, not in decline. Plagued by isolationism, civil war, and foreign invasions, China had a few bad centuries in its recent history, but the economic catch-up by China in the past quarter-century has been phenomenal. Having achieved an economic miracle, the Chinese people are unlikely to be satisfied with stopping short of the door of political democracy.

Yet like any other country China’s future can have multiple possibilities. China analysts may not agree on what China’s most likely 2020 scenario will be, but any thoughtful and intelligent forecast about China will perhaps come to the same conclusion: the trajectory of this fast-growing economic powerhouse will have profound implications not only for the millions of Chinese people but also for the world community.