SWEDISH NATIONAL CHINA CENTRE

Is there any hope for political liberalization in China?

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Beijing hosted the annual "Two Sessions" in early March 2025 – the parallel meetings of the National People's Congress, the country's legislature, and the Chinese People's Political Consultative Conference, its main political advisory body. The meetings took place against a backdrop of <u>increasing social unrest</u> over the past year. However, the <u>policy responses</u> offered no surprises. Since becoming General Secretary of the Chinese Communist Party (CCP) in 2012, Xi Jinping (习近平) has increasingly relied on repression to manage discontent, doubling down on censorship, control and surveillance.

The CCP has not always leaned so heavily on repression. The 1980s, for instance, saw a period of greater political openness and tolerance, which fuelled demands for reform and sparked student protests from the mid-1980s, culminating in the crackdown on the Tiananmen Square demonstrations in 1989. Less widely known is that from the late 1990s to the mid-2000s, Beijing encouraged local government to experiment with more transparent and inclusive governance to help ease social tensions.

As Xi continues to centralize power and the prospects for a political opening up in China appear grimmer than ever, it is worthwhile to look back 15 to 20 years, when attitudes to reform were markedly different and optimism about political liberalization prevailed in parts of the Chinese party-state. Is a CCP-ruled China destined to continue its path towards increasing authoritarianism? Or could an appetite for political liberalization re-emerge?

European leaders, policymakers, and business leaders need well-informed answers to these questions. Their beliefs and expectations regarding China's broader political trajectory will inevitably influence Europe's economic and diplomatic relations with the country. The belief that through trade and investment China would gradually liberalize and could even democratize was the foundation of the <u>engagement policy</u> that shaped western policy on China from the 1970s until the late 2010s.

China's path, whether towards growing repression or a return to softer authoritarian politics, will not only affect the relative freedom of 1.4 billion Chinese people, but also shape the business environment for European companies in China and the foreign policy challenges European governments must navigate in their relations with the country.

Liberal political experimentation before the Xi era

Given Xi Jinping's increasingly authoritarian rule, it is easy to forget that, in the years after the 1989 Tiananmen Square massacre, Chinese leaders once openly acknowled-

ged the need for political liberalization and permitted experiments with semi-competitive elections at lower levels of government. In China, local government leaders are <u>formally elec-ted</u> by local people's congresses. In practice, however, the CCP controls the process by selecting and presenting candidates for the congress to approve.

In the late 1990s and early 2000s, several townships broke with traditional methods of appointing candidates by experimenting with competitive elections for government leaders, allowing local citizens to influence candidate selection and even vote directly for candidates.

These initiatives built on a tradition of allowing political experimentation to deal with local governance issues and were initially encouraged by Beijing. However, one of the earliest and boldest attempts – <u>the Buyun township election</u> in 1998 – was later <u>rejected as</u> unconstitutional by the CCP Central Committee. Later experiments were carefully designed to comply with the constitution while ensuring stricter party control over the entire process, including candidate selection. Nonetheless, even the more restrictive experiments were generally <u>well</u> <u>received</u> by both local citizens and researchers in China and abroad, as they fostered a degree of accountability and legitimacy, and produced leaders who enjoyed greater popular approval.

The rise and fall of "intra-party democracy"

From the early 2000s, legal obstacles to the election of township government leaders meant that political experimentation shifted to <u>"intra-party democracy"</u> (党内民主). In essence, intra-party democracy sought to introduce controlled participation by more party members in decision-making processes within the party while allowing a limited and regulated form of competition in the appointment process. Local-level experiments included semi-competitive elections for township party secretaries and party committees. At higher levels, the pool of candidates for elections to the Central Committee was <u>slightly expanded</u> to allow for the elimination of unpopular candidates and <u>straw polls</u> were conducted to gauge the popularity of candidates for the Politburo. General Secretary Hu Jintao (胡锦涛) was a <u>strong advocate</u> of intra-party democracy.

While intra-party democracy and township government electoral reform targeted different parts of the party-state system, they are better understood not as separate types of reform, but as belonging to the same tradition of political experimentation, with the potential to trigger similar consequences. In both cases, local experiments were initiated, led and controlled by the higher-level party committee. While these reforms might have led to different outcomes, both – if allowed to continue and expand – could have sparked an appetite for further reform and generated a desire for broader political change.

Over time, however, the institutional barriers to intra-party elections became obvious. The <u>core issue</u> was that even a limited degree of bottom-up accountability and democracy conflicted with the CCP's desire to maintain complete control over personnel appointments, as reflected in its core governing principle: "the party manages the cadres" (党管干部). By the late 2000s, local-level experimentation had come to <u>an end</u>. Despite waning interest in intra-party elections locally, however, <u>straw polls continued</u> at higher levels and China's senior leaders continued to <u>express support</u> for democratic reforms, most notably Premier Wen Jiabao (温家宝).

There is little reason to believe that even the most liberally minded Chinese leaders, when advocating for more "democracy", envisage anything resembling multi-party electoral democracy. The CCP has long sought to <u>appropriate and redefine</u> the term "democracy" to be compatible with its Leninist political system. Nonetheless, senior leaders at the time, such as Hu and Wen, along with ambitious and reform-minded local officials seemed to be pushing the boundaries of what democracy could mean within the Chinese party-state system. For a time, while there were <u>sceptical voices</u>, there was also optimism within the China studies community that these limited reform experiments could unintentionally spur further reforms and serve as meaningful steps towards China's democratization. For instance, Willy Wo-Lap Lam saw the possibility that intra-party democracy might act <u>as a "fillip"</u> for the "overall democratization" of China, while Baogang He argued that it could lead to the <u>"legitimization of factions"</u> within the party and the formation of multiple functional "parties" within the CCP.

Xi's rise: the end of intra-party democracy

After Xi Jinping came to power, intra-party democracy largely disappeared from the CCP's policy agenda. Several factors contributed to this shift. As noted above, conservative factions within the CCP were already pushing back against intra-party elections, viewing them as a threat to the party's control over cadre management.

In addition, the CCP elite increasingly saw intra-party democracy as promoting factionalism. This concern came to a head with the Bo Xilai (薄熙来) <u>scandal</u> in early 2012 and the subsequent downfall of Zhou Yongkang (周永康) and his cronies, who were accused at the 19th Party Congress in 2017 of <u>plotting a coup</u>. China's party-controlled state news agency also accused Zhou, along with Ling Jihua (令计划) and Sun Zhengcai (孙政才), of <u>"vote-buying"</u> to manipulate straw polls at the 17th and 18th Party Congresses.

In the first few years of Xi's leadership, several developments solidified China's shift away from intra-party democracy. In 2014, regulations on the promotion and appointment of party and state officials <u>were updated</u> to downplay democratic elements such as voting and further centralize decision-making power within higher-level party committees. Another important document on "political life within the party" <u>was revised</u> in 2016 to give less weight to principles such as intra-party democracy and collective leadership.

Meanwhile, Xi had positioned himself as the CCP's "leadership core", amending the <u>party char-</u> ter to cement his authority. Prominent officials such as Wang Yang (汪洋) and Li Yuanchao (李 源潮), once seen as <u>progressive challengers</u>, were either <u>denied promotions</u> or <u>forced into early</u> <u>retirement</u>. Breaking with established norms, Xi remained in office for a third term as CCP General Secretary (2022–) and President of China (2023–).

Looking ahead: Is there any hope for political liberalization?

The prospects for political liberalization in China currently appear bleak. The local officials who experimented with competitive township elections and intra-party democracy did so in response to top-down incentives. Unlike under Hu Jintao, when such efforts were rewarded with prestigious <u>government prizes</u> and promotions, Xi has shown absolutely no interest in political liberalization. The political decentralization and fragmentation that once fostered such experimentation have given way to increased centralization, tighter control and stricter party discipline, which demands ideological conformity and unwavering adherence to the party line. The risk-reward calculus has shifted significantly for local officials who might have considered similar initiatives. This does not mean that political experimentation in China has ceased. On the contrary, the party has grown increasingly concerned about localities avoiding experimentation out of fear of making mistakes. To address this, it is <u>pressuring</u> local officials to experiment, seeking to convince them that inaction poses a greater risk than experimentation. However, under Xi, this experimentation is not focused on political liberalization but rather on enhancing CCP control and oversight. It also does not mean that local discontent is always met with suppression. Most protests are still addressed through <u>non-violent means</u>.

Could an appetite for political liberalization return after Xi? Several factors suggest otherwise. Crucially, the CCP has yet to resolve <u>the contradiction</u> that emerged during past experiments with liberal reforms – balancing limited bottom-up accountability with the party's insistence on total control over personnel appointments. This contradiction ensured that these experiments remained isolated measures to address temporary crises in local governance, rather than being institutionalized nationwide. Second, the party's liberal, reformist faction has been severely weakened under Xi. While it could re-emerge after his departure, there is also the possibility that an even more hardline faction might take power, pushing China further towards authoritarianism. Third, China's trajectory will be partly shaped by global trends. <u>Democratic backsliding</u> is currently taking place in many parts of the world, which reduces the external pressure on Chinese leaders to pursue political liberalization.

At the same time, the <u>high level of repression</u> in the Chinese political system makes it difficult to gauge the system's level of legitimacy among both elites and the wider population. The combination of increasing power concentration and slower economic growth could seriously harm the CCP's legitimacy in the long run. A multitude of scenarios are possible following a serious legitimacy crisis, one of which is that a new leadership adopts political liberalization as a means of fostering economic growth.

While European policymakers are wise to prepare for various scenarios, they should not expect political liberalization in China in the foreseeable future. Xi Jinping's lack of interest in democratic reforms, the absence of structural incentives for local experimentation and a weakened reformist faction have all contributed to the stagnation of liberal experimentation. In addition, diminished external pressure for democratization and, most critically, unresolved institutional barriers to even modest liberalization make meaningful political reform unlikely.



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About NKK

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