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Introduction

Reassessing the Hu—Wen Era: A Golden Age for Social Policy in China?

Jude Howell* and Jane Duckett[∞]

Abstract

The Hu—Wen era has been characterized as a “lost decade” for economic and political reform, but a “golden era” in terms of economic growth and political stability. Yet, relatively little attention has been paid to the social policies introduced during Hu and Wen’s decade in power. These important policies, however, abolished agricultural taxes, extended health insurance, pensions and income support to all rural as well as urban residents, and built a civic welfare infrastructure to address migrants’ grievances. These policies, some of which were developed under the preceding Jiang Zemin and Zhu Rongji leadership, were introduced for a complex mix of reasons. Their aim was not only to reduce inequalities but also to stimulate domestic consumption and sustain economic growth, offset the effects of China’s entry to the WTO and the global recession of 2008, and maintain social stability. They were the product of domestic bureaucratic politics and experimentation. They were also strongly influenced by China’s integration into the international economy, as well as by international governmental and non-governmental organizations and the ideas they introduced into China’s domestic policy networks. Although Hu—Wen era social policy reforms had only limited effects on reducing income inequality and involved complex politics, they did establish for the first time entitlements to social security and safety nets for all China’s population.

Keywords: China, social policy, rural residents, migrants

Some journalists and commentators have characterized the Hu Jintao 胡锦涛 and Wen Jiabao 温家宝 leadership period from late 2002 to early 2013 as a “lost decade”,¹ while others have seen it as a “golden age”.² Those expressing disappointment lament the lack of progress with political reform, point to environmental degradation, rising corruption and growing income

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¹ Johnson 2012; Hodges 2014; Keck 2012; Li and Cary 2011.

² Moore 2012.

disparities, and criticize stagnating state enterprise reform.³ Those hailing the achievements of the era have focussed on the sustained high levels of growth, expanding global trade and investment, and China's rise to become the world's second largest economy. In their book on the first five years of the Hu—Wen period John Wong and Lai Hongyi laud Hu and Wen's political achievements and their social welfare initiatives.⁴

Much of the debate has revolved around economic performance and political issues, with far less attention paid to the Hu—Wen administration's social policies.⁵ Nevertheless, echoing Wong and Lai's perspective, Tom Orlik has suggested that “[t]op of the list of achievements is improved public services and welfare provision”.⁶ Indeed, over its decade in power, the Hu—Wen administration adopted a number of social policies aimed at reducing socio-economic inequalities between and within rural and urban areas and addressing the grievances of rural migrants. These initiatives included abolishing agricultural taxes, introducing legislation to improve the working conditions of migrant workers, and modernizing rural areas through a multi-pronged strategy of “Building a New Socialist Countryside”. This involved extending rural co-operative medical schemes nationwide, and introducing rural pensions and social assistance. Other social policy reforms centred on extending social insurance beyond urban formal sector workers, reforming urban social assistance, and improving the legal framework protecting migrant workers in the workplace.

Thus under Hu Jintao and Wen Jiabao, the Party-state crafted a developmental direction that promised greater social inclusion and socio-economic levelling as captured in their rhetoric of “harmonious society” (*hexie shehui* 和谐社会), “inclusive development” and the aspiration to become a relatively prosperous “well-off society” (*xiaokang shehui* 小康社会). In doing so they built on the welfare reforms begun under Jiang Zemin and Zhu Rongji from the mid-1990s onwards, which Joe Leung and Xu Yuebin described as “the third turning point” in the post-1949 period of welfare provision.⁷

³ Lam 2006; Overholt 2012.

⁴ Wong and Lai 2006, 3-8 and 25-26.

⁵ Wong and Lai (2006) provide one of the few comprehensive texts to examine Hu and Wen's efforts in reforming social welfare but their account only goes up to half way through their first tenure.

⁶ Orlik 2012.

⁷ Leung and Xu 2015. The first turning point refers to the Maoist decades when a socialist egalitarian society constructed a basic welfare system of social protection; the second refers to the period from 1978 when market-oriented reforms unravelled the welfare system of the planned era; and the third turning point refers to the period when social welfare reforms were initiated in the 1990s.

This special section assesses the Hu—Wen era by answering three important questions about China’s early 21st century social policies: first, to what extent are Hu and Wen responsible for the social policies associated with their period in power? Second, what were the politics and policy processes shaping those social policies? Third, how effective were those social policies in improving lives and reducing inequality among rural and urban residents and rural migrant groups during the Hu—Wen period?

To address the first two questions the papers by Jude Howell, Jane Duckett and Wang Guohui examine the politics of key social policies introduced under Hu and Wen. They focus on the politics of the regulatory environment governing non-governmental providers of welfare, extending rural co-operative medical schemes (RCMS) and abolishing agricultural taxes. These papers use analytical frameworks that examine the influence of China’s leaders and bureaucratic agencies as well as the role of other elite actors (central as well as local) and international agencies, institutional arrangements, bureaucratic bargaining, ideas, political and economic context and international events in shaping the goals, design and implementation of social policies. These analytical frameworks – detailed in each paper – start with assumptions that the party-state is not monolithic, that Chinese politics and policy processes are not isolated from global influences and events, and that processes of institutional change are usually gradual. It produces insights into policy processes despite the “black box” of elite decision-making in China that arises from poor access to high-level political leaders and an absence of reporting on intra-elite political discussions or individual leaders’ personal perspectives on issues.

Regarding the first question about the role of Hu and Wen, Duckett argues in her paper that they certainly supported the push forward in implementing the “new” rural co-operative health schemes. The decision to adopt those reforms had, however, been taken at the end of the Jiang Zemin period. Like Wang, she argues therefore that the discontinuities between different leadership periods have sometimes been overstated, and that factional politics cannot explain this policy. But she also finds other prominent explanations based on “rational” decision making and fragmented authoritarianism – to be inadequate. While these three classic approaches provide a useful entry-point to understanding elite policy-making politics, a focus on leaders and the central bureaucracy alone cannot explain the adoption of policies to tackle poverty and inequality. Instead, it is important to understand the influence of

external factors such as global economic crises, the impact of WTO entry and international organizations in shaping social policies and reducing poverty and inequality.

In tackling the second question about the politics and policy processes shaping China's social policies, we reinforce the importance of incorporating both international and domestic factors into policy-making analysis. Duckett in her paper argues that the influence of international actors is often overlooked in studies of policy-making in China. Through her close study of the development of the RCMS she demonstrates how international actors and events were an important force generating and sustaining ideas and shaping policy – a point also made by Wang. Howell, in contrast, considers the perceptions that security institutions have of the destabilizing role of international actors. Against the background of the Colour Revolutions and Arab Spring, security institutions are concerned about the influence that external donors can have on advocacy organizations, rights-based groups and cause-driven organizations and particularly that external agencies could harbour regime-destabilizing objectives.

On the domestic front, institutional bargaining can play a role in the making and unfolding of policy. Jude Howell shows how institutional bargaining affects the progress in advancing policies to develop a regulatory environment that could facilitate non-governmental actors to provide welfare services. She finds that tensions between institutions concerned with welfare policy and institutions engaged in ensuring social stability can influence whether the building of a civic welfare infrastructure advances rapidly or slowly, or even stalls. The dilemma here has been how to balance social control with opening up spaces for service-oriented non-governmental organizations to deliver services by facilitating registration and funding. From the perspective of security institutions such opening up could also create greater space for organizations critical of government and policy to flourish.

Duckett, however, finds bureaucratic bargaining only in the final months of policy formulation for new RCMS – though bureaucratic actors are significant actors alongside others in policy networks at earlier stages of the policy process. Wang, meanwhile shows the interactions among central decision makers and local governments – and how, in a context of rural instability, leaders' economic and fiscal considerations played a role. Both Duckett and Wang emphasize the convergence of multiple factors leading to policy decisions, rather than the personal experience or characteristics of Hu and Wen or their predecessors.

To answer our third question about the effectiveness of Hu and Wen period social policies, Gao Qin, Yang Sui and Zhai Fuhua and colleagues then take a quantitative approach, analysing the China Household Income Project (CHIP) data to examine whether social insurance, social assistance, the New Socialist Countryside and measures to improve migrant workers' conditions of work have reduced inequality and poverty. They find that social policies did curtail rising income inequalities, during the Hu—Wen period, with pensions and rural agricultural and livelihood subsidies having the most marked effects. But inequalities among urban residents shrank more than those among rural residents or migrants, and substantial urban—rural inequalities nevertheless remain. These findings add to the findings of Howell, Duckett and Wang, who argue from their policy studies that while Hu—Wen social policies certainly benefitted rural residents and migrants, their limitations mean that they did not transform the overall picture of inequality.

As well as answering the three core questions collectively addressed by this special section, the four papers also provide rich material on the content and evolution of previously neglected social policies and their outcomes. They make contributions not only understanding social policy under Hu Jintao and Wen Jiabao but also to theories relating to institutional and bureaucratic change (Howell, with the concepts of “bounded adjustment”, “rule creation” and “opportunistic layering”), models of policy making (Duckett, with “network authoritarianism”) and policy experimentation (Wang, with “principle-guided policy experimentation”).

In her paper, Jude Howell argues that the Hu—Wen era deserves a more measured assessment than afforded by some critics. In particular, it should receive greater credit for its policies aimed at crafting a more positive environment for non-governmental welfare providers that could enhance their financial and provider capacity. Focussing on Hu and Wen's efforts to pluralize the field of social welfare providers as a strategy to enhance social welfare provision, Howell examines the politics of building a civic welfare infrastructure during their terms in office. Civic welfare infrastructure refers to the regulatory environment governing the civic building-blocks of welfare provision such as registered charities, foundations, unregistered NGOs, advocacy and rights groups, and community activism. She focuses on four key initiatives, namely, the revision of the regulations relating to foundations in 2004, experimental changes in the registration requirements for social organizations from

2008 onwards, policies relating to external actors supporting domestic social organizations, and finally the drafting of the Charity Law (eventually passed in March 2016 in the Xi era).

Howell's article starts out from the complex politics of competing motives and interests of state actors that shape institutional changes in building a civic welfare infrastructure. Different interests amongst state institutions in relation to social organizations have characterized the three main periods of governance in the reform era. In particular, the different priorities of welfare-oriented institutions such as the Ministries of Civil Affairs, Health and Education and of security-oriented institutions such as the Ministry of Public Security have shaped the development of the regulatory environment governing non-governmental actors. The horns of these two sets of institutions were locked over the dilemma of how to create a more enabling regulatory environment to encourage the development of non-governmental organizations that could assist with welfare provision, whilst reducing the risk of a more open society becoming a site for potentially regime-destabilizing non-governmental groups, often influenced by external forces.

In the Hu—Wen era (from effectively 2003 onwards), efforts to advance welfare reform by making it easier for potential non-governmental service providers to register continued to be stalled by concerns about the risks of instability. Against the background of the so-called “Colour Revolutions” in several former Soviet states in the early 2000s, the perceived external threat posed by foreign agencies such as foundations and NGOs meant the government became wary of easing the regulatory framework governing NGOs. Howell thus investigates three interweaving sets of inter-institutional politics centring on the tensions between security and welfare institutions: the politics surrounding the at times contradictory goals of the Ministries of Civil Affairs and Public Security in pursuing respectively goals of welfare provision and stability maintenance; state-civil society politics around the boundaries of permissible civic organizing; and the politics enveloping the domestic—external actor relationship.

In analysing the web of politics underlying reform processes, Howell also adds to understanding of the processes of institutional change in China. She argues that introducing new policies requires institutional change, that is, changes in the rules of the game that can alter the distribution of power and resources and bring about organizational restructuring. Her

analytical framework here starts from the position that institutional change is generally gradual, building upon and adapting past rules and organizations, and creating new ones. Theories of gradual institutional change have identified categories of rule-changing processes such as layering, conversion and drift.⁸ Howell refines these by adding intermediate categories of bounded adjustment, rule creation and opportunistic layering. These enable her to identify and analyse the processes of policy-making that serve to cement change.

On this basis, Howell draws attention to the array of institutional practices adopted to facilitate change when there is a vacuum of appropriate rules and a persisting legacy of increasingly redundant, and sometimes obstructive, rules. In doing so she posits the concepts of “bounded adjustment” (partial changes to existing regulations), and “opportunistic layering” (when local actors in a situation of institutional impasse respond to higher-level cues to execute rule change), as strategic means deployed by government officials to push forward policy change. By exploring the artful means used to effect institutional change in the arenas of four key initiatives she provides greater empirical texture to existing studies of adaptation in the party-state. Despite the constraints faced by reformers in fashioning a more plural landscape of welfare provision, she demonstrates how during the Hu—Wen period a more robust framework was established for facilitating the state’s instrumental use of civic organizations in welfare reform. The subsequent Xi leadership went on to use and extend this civic welfare infrastructure, rolling out a system for sub-contracting social welfare provision to selected social organizations across the country.

While Howell’s paper explores how bureaucratic politics, state-society relations and international factors shape the fashioning of a civic welfare infrastructure, Jane Duckett asks to what extent top leaders shape policy-making. Specifically, she investigates the role of Party General Secretary Hu Jintao and Premier Wen Jiabao in extending the flagship rural co-operative medical schemes (RCMS). She examines critically three key models of elite policy-making to explain the implementation of a revamped and extended policy of co-operative medical insurance for rural residents: factional power, rationality and fragmented authoritarianism. She reflects on how useful these contending models are for understanding the role of elite politics in shaping social policy processes.

⁸ Hacker 2010; Hacker, Thelen and Pierson 2013; Béland, Rocco and Waddan 2016; Pierson 2000; Mahoney and Thelen 2010.

The “new” RCMS of the Hu—Wen era can be traced back to the late 1950s. The scheme was extended further during the Cultural Revolution and reportedly covered almost 80 per cent of the rural population. Rural residents made “voluntary contributions” to the scheme that were automatically deducted by the rural collectives and were used to cover their basic health needs. When the reformers introduced the household responsibility system in the early 1980s across China, leading to the decollectivization of agricultural production and de facto disintegration of other social and welfare dimensions of former collective life, the RCMS was similarly allowed to collapse.⁹ By 1984 it covered barely five per cent of the rural population. In the subsequent decades various alternative rural health models of insurance and user charges were tried out with the assistance of international organizations. In the early 1990s the Ministry of Health returned to the idea of the RCMS and initiated experimentation across the country, with the goal of extending it to all rural residents by the end of the decade. However, the RCMS policy, because it involved collecting contributions from villagers, conflicted with another policy aimed at abolishing the fees that local governments charged to villagers. After the Party-state centre prioritized abolishing fees, the 1997 Decision to adopt RCMS went unimplemented. But in 2002 the Party-state issued a further Decision and announced a new set of experiments that involved governmental as well as voluntary household contributions. Backed up by further detailed regulations and a national-level review of experimental outcomes in 2005, the Party-state called for its nation-wide extension by 2008, ahead of plan. How then can these twists and turns in the destiny of this policy be understood?

Duckett argues that international actors and events influenced new RCMS, a key policy associated with the Hu—Wen administration. She draws attention to international organizations’ funding of RCMS projects and pilots in the 1990s; to the perceived impact of World Trade Organization (WTO) entry on agricultural incomes and its effects on consumption and potential rural unrest; the role of external shocks, specifically the 1997 Asian Financial Crisis and SARS in 2003; and the World Health Organization’s poor evaluation of China’s health system in 2000. These activities and events generated ideas that fed into the policy processes underpinning social policy reforms, including the new RCMS. However, with China’s economic and fiscal growth following WTO entry, Hu and Wen had both the funding and the commitment to drive forward this newly revised health scheme.

⁹ Duckett 2011.

Wang Guohui's article is also concerned with rural reforms, specifically the shift from rural tax and fee reform (RTFR) to the abolition of agricultural tax in China. These were landmark reforms in rural development in China, redistributing resources between farmers and the state and lifting "the burden" of fees and taxes off the backs of farmers. The policy shift was more than an act of beneficence on the part of sympathetic state leaders. It had both a political dimension in its desire to quell growing social unrest in the countryside as well as an economic dimension related to the Asian financial crisis of 2007. It marked a dual recognition of the need to wean the macro-economy off over-reliance on an export-led strategy of growth and to expand domestic consumption through rural development strategies that aimed to raise the incomes, and hence, consumption of farmers.

Through his textured analysis of the policy process underpinning RTFR, Wang comes up with an alternative understanding of the role of experimentation in policy-making. He draws upon, challenges and further develops the work of both Sebastian Heilmann and Wang Shaoguang.¹⁰ In his seminal work on policy change processes, Sebastian Heilmann put forward a staged model of policy change, which he coins as "experimentation under hierarchy". In this model Heilmann posited a primarily bottom-up process of policy initiation supported by central-level policy patrons. Subsequent experimentation in different provinces filters upward, leading to top-level endorsement and nation-wide rolling-out of the new policies. By contrast Wang Guohui, drawing upon his close study of RTFR, proposes an alternative model of "principle-guided policy experimentation". He argues that central decision-makers first decide upon the purpose and principle of the reform, based on earlier local experiments. Only after this is an inter-ministerial agency set up to develop an experimental reform plan, whereupon formal, top-down experimentation is promoted that ultimately leads to nationwide policy reform.

By focussing on the case of RTFR, Wang also demonstrates that contrary to Heilmann's contention that bottom-up experimentation applies only to economic policies, experimentation models can also apply to socially transformative policies, where there may be no obvious immediate benefits to local cadres. In this respect, his study gives further support to Wang Shaoguang's position that an experimentation-based policy model can be

¹⁰ Heilmann 2008; Wang 2008.

applied in social welfare reform. Wang Guohui suggests that in the case of RTFR central pressure through the cadre appraisal system was intensified to ensure local-level implementation. However, given the financial losses incurred by local governments as a result of the forfeited income from taxes and fees, central government was pushed to intervene with central compensatory transfers of payment to local government. With the central budget in deficit after the Asian financial crisis and the economy still in difficulty, the central government was reluctant to expand the reforms as this would require larger compensatory payments. However, the reforms were picked up again by the new pro-rural leadership of Hu—Wen, who could use the tide of rising economic prosperity subsequent to WTO entry to breathe new life into the reforms that were finally sanctioned in 2006.

Howell, Duckett and Wang's articles all highlight in different ways the relevance of international factors to domestic policy-making, a dimension that has been neglected in much of policy change research over the past three decades. External factors relate not only to the increasing vulnerability of China's economy to global economic cycles of boom and bust, as witnessed in the Asian financial crisis of 1997 and again in the global economic crisis of 2008, but also to the increasing exposure of China to a diversity of ideas, practices and policies from external actors. The significance of China's rapid growth following WTO entry underpins all three stories about social policy reforms, given that economic prosperity bolstered fiscal capacity to address issues of inequality, poverty and redistribution to help the main "losers" in the WTO deal, China's farmers. However, as Howell demonstrates, perceptions of unwanted external influence have also affected the pace of institutional change necessary to build the regulatory, policy and organizational infrastructure of social welfare provision. It is thus high time that China scholars turned their attention towards dissecting the complex dynamics between domestic and international factors in processes of economic, social and political domestic policy reform.

The final paper of this special section examines the effects of social policies of the Hu and Wen Period. Gao, Yang and Zhai's article investigates the impact of key social policies on poverty and inequality amongst and between urban, rural and rural migrant groups and considers whether they have left a positive legacy. Drawing on data from the China Household Income Project (CHIP) 2002, 2007 and 2013, Gao and her colleagues explore whether policy reforms led to any changes in the size and structure of social benefits as well as the impact of the reforms on income inequality and the gap between rich and poor. In

doing so, they examine the impact of four key sets of policies: the introduction of a comprehensive social insurance system and specifically pensions and health insurance; the introduction of a comprehensive social assistance system and in particular the Minimum Livelihood Guarantee or “dibao” 低保, along with various supplementary, temporary assistance programmes; the Building A New Socialist Countryside campaign that embraced the abolition of rural taxes in 2006, elimination of school fees in rural areas, various subsidies to farmers for production and welfare, and rural infrastructural investment; and finally, various initiatives to improve the working conditions of rural migrants and social insurance coverage, particularly the 2008 Labour Contract Law.

Past empirical evidence on the achievements of the Hu—Wen era in relation to poverty and inequality found that social insurance, and specifically pensions, had a greater impact on reducing income inequality than social assistance. However, the effects of social insurance were regressive, the benefits thereof being skewed to relatively better-off groups.

Furthermore, earlier studies suggested that the Building a New Socialist Agricultural strategy and the New Contract Labour Law did improve the situation of rural residents and migrants and narrow the income gaps between urban-rural migrant groups.

Gao, Yang and Zhai’s findings endorse and deepen these broad conclusions by examining the size and structure of social benefits for different groups and the redistributive effects of various social benefits. Their results demonstrate that in terms of the share of social benefits in final income, the size for urban residents decreased between 2002 and 2013 but increased for rural and migrant families. However, the size of urban benefits remained considerably higher than for rural and migrant households and so the gaps remained. The politics of social policy in China and in particular the historically institutionalized discrepancy between rural and urban areas accounts for why the government did not push to reduce urban benefits further to reduce the gap. Aware that reducing urban benefits might induce protests, the government opted to focus on providing more for rural areas. As Gao and her co-authors note, a 2010 national survey revealed that with lower expectations rural residents appreciated such benefits, leading to a more positive appraisal of satisfaction with local government. Confirming previous findings, their paper shows how pensions were the key element of social benefits, leading to demonstrable improvements for rural and migrant households by the end of the Hu—Wen era. Gao, Yang and Zhai conclude that the anti-inequality initiatives taken

during the Hu—Wen era did lead to some redistribution and lessened the market-driven widening income inequality gaps. In particular the social policy reforms introduced in the second half of the Hu—Wen period of office reduced inequality amongst rural residents and migrants, though only to a small extent.

As Gao, Yang and Zhai note, given the recent introduction of these policies, further empirical research is needed to evaluate them fully. They conclude that the various anti-inequality and anti-poverty initiatives launched in the Hu—Wen period have left a progressive legacy – and principles of entitlement to public provision – that deserves recognition and further study. Nevertheless, they caution against an overly optimistic reading of the potential of such initiatives to tackle income disparities. Two fundamental features of China’s social welfare system persist, namely, its fragmentation and unevenness. Furthermore, they underline the very limited role of explicit redistributive mechanisms such as social benefits in tackling income inequality amongst less advantaged groups, pointing to the fact that as of 2013 the post-transfer income inequality levels of all three groups studied were actually higher than before. Looking ahead to the future, they suggest that taming the market will continue to be a challenge for the government.

Concluding Reflections

Gao, Yang and Zhai’s paper thus provides a very valuable assessment of China’s social policies, and of their limits, at least as measured by the Gini coefficient, from 2002 to 2013. This does not mean, however, that Hu—Wen era social policies were unsuccessful in their political aims of reducing dissatisfaction. But reducing dissatisfaction was not the only factor behind the policies, as the other papers in this special section show. The policy papers together cast light upon the many political and economic factors, both domestic and global, that lay behind the initiatives implemented in the Hu—Wen period to tackle poverty and inequality.

These papers also show that, in fact, some of these initiatives were set in train toward the end of the Jiang—Zhu period. The Hu—Wen administration then extended them and adopted other new social policies – in part to tackle poverty and rising inequality and to secure greater social stability by reducing protest and dissatisfaction. Persuaded by the ideas on social development of a range of domestic and international actors, they also sought to stimulate

domestic demand by increasing rural incomes, thereby contributing to further economic growth and development. Much of this was possible because of China's sustained economic growth and integration into the global economy after it joined the WTO in 2001 and its focus on an export-led industrial strategy. China's WTO entry was made possible by the considerable work done during the Jiang Zemin period to push this forward, the benefits of which were reaped in the subsequent Hu—Wen years. Presiding over a period of economic buoyancy, fiscal capacity, and double-digit growth, Hu Jintao and Wen Jiabao were well positioned to increase spending on social policies that might both help allay growing resentment and dissatisfaction amongst losing social groups that was expected to worsen after WTO entry and also contribute to further economic growth, social stability and development.

Furthermore, through textured analyses of specific initiatives, namely, the crafting of a civic welfare infrastructure, the rural co-operative medical system, and the abolition of rural taxes, these papers contribute to understanding of processes of policy change in China. All three policy process papers point to the importance of considering international actors in the analysis of policy change, a dimension that has been underplayed in past studies. They expand the study of policy change in the domain of social policy, again an area that has received less attention in earlier policy making research. They also point to the variation in the politics of experimentation and the related dynamics between central and local actors, and the need for researchers to entertain a wider range of models. Furthermore, they reveal processes of tactical rule manipulation in manoeuvring policy change when bureaucratic impasses occur or policy priorities shift in a way to deter further progress with a specific initiative. Although so many policy processes in China remain inside the black box, we hope that these papers contribute in some small way to prising that box more open.

Finally, all three papers note continuities with the past, underlining that political leaders never start out with a blank sheet. The issue of continuities is important in understanding that there are never clear tidy breaks between different periods of leadership. Social policy reforms under Hu and Wen built upon a legacy of changes made during the Jiang Zemin administration. Similarly, the Xi administration has passed legislation on charities and foreign NGOs that was already being drafted and discussed during the Hu—Wen era. There are overlaps that integrate China's policy processes and periods of leadership in more subtle ways than attempts to demarcate clear boundaries and distinctive features can reveal. Five

Year Plans span leaderships, and vice-premiers lead policies formulated under previous leaders and may continue them if they become premiers.

This is not to say that the first five years of office is merely a continuation of past policies, with little room for manoeuvre for new office-bearers. Instead, leaders entering office inherit a certain legacy from the past, which they can prioritize, advance, amend or change, moves that in turn will be influenced by both domestic and international contextual factors. Illustrative of this is the more repressive context of the early Xi years, when although spending on social policies continued to grow, new laws on charities and foreign NGOs were ushered in. This new legislation marked continuities with the past, but the changing atmosphere created by a long anti-corruption campaign, a continuing global financial recession, and one of the most severe periods of repression of associational life since the events of Tiananmen suggested, too, that leadership style and direction under Xi Jinping would differ from the preceding period. In light of this, it may indeed look as though the Hu—Wen era was more a “golden age” than a “lost decade”, even if the achievements in terms of reducing inequality were not as marked as might have been hoped for.

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