

# The Law of Policy Transfer in China after the Reform and Opening up

**Jun Liu, Tingting Li**

University of Electronic Science and Technology of China, Chengdu 611731, Sichuan, China

DOI: 10.32629/memf.v3i3.863

---

**Abstract:** Compared with the research on policy transfer in Western countries, China's research started late and did not begin until the beginning of the 21st century. At present, domestic research on policy transfer is inclined to theoretical level, and a macro framework has been formed overall. Along with the increasing number of policy transfer phenomena in China, there are still many issues in this field that deserve our deeper investigation. Based on the literature analysis method, empirical research method and comparative analysis method, this paper divides the stages of policy transfer in China after the reform and opening up, from which we can summarize the policy transfer pattern formed in China after the reform and opening up.

**Keywords:** reform and opening up, policy transfer stage, policy transfer law, cooperative policies

---

## 1. Question formulation

The relevant research on policy transfer by Western scholars began in the 1960s and 1970s, but really emerged in the 1990s, and now, a more systematic system has been formed. Although China started later, it has also achieved certain research results so far, mainly focusing on the causes, characteristics, and reasons of failure of the occurrence of policy transfer or the analysis of a specific policy transfer event. Although the research in the past two years has shown a declining trend, it does not mean that the study of policy transfer has become obsolete; on the contrary, with the emergence of more and more policy transfer phenomena in China, it has profound practical value and significance to study it in conjunction with the actual situation.

## 2. Division of China's policy transfer stage after reform and opening up

### 2.1 1978-2001

After the ten-year "Cultural Revolution", after a short hovering period of two years, China made the decision to reform and open up at the Third Plenary Session of the Eleventh Central Committee in 1978, reforming internally and opening up externally to seek convergence with international development, and then a series of policies were introduced one after another to kick off the reform and opening up of China.

The opening up to the outside world made us see the advanced features of the developed countries in the West, and it was a common phenomenon in this period to learn from the West and actively carry out reforms to the inside. This period can be further subdivided into two small historical stages: the starting stage and the rapid development stage.

#### 2.1.1 Starting stage

The policy shift in this period occurred mainly in the economic field, mainly in the form of special economic zones (SEZs) that top leaders decided to establish in the country after several overseas study trips and study tours.

During his study trips abroad, Deng Xiaoping found that export processing zones and free trade zones existed widely in the more developed countries. With the help of this platform, the country could introduce foreign capital and advanced technology, and at the same time, be able to export to the outside world, which was a window for the country to communicate with the outside world. After the founding of the country, China was under the blockade of the Western powers led by the United States, making it difficult to develop outward. By the 1970s, along with the restoration of diplomatic relations between China and Japan, the United States and other countries, this situation has improved. At this time, the model of export processing zones and free trade zones could just meet China's strong desire for development and could open a door for China's development. To this end, we shifted our export processing policy and established special economic zones.

At the same time, in line with the special economic zones, China's foreign investment policy was also transferred, resulting in a number of preferential policies for foreign investment, in terms of taxation, import and export operating rights and registered capital for foreign-invested enterprises, providing policy support to attract foreign investment. It can be said that the transfer of foreign investment policies is a concomitant policy transfer (or it can also be called a complementary policy transfer) to the policy transfer of establishing special economic zones.

### **2.1.2 Rapid development stage**

After the successful exploration during the difficult start-up period, the pace of policy transfer in China took a big step forward in this period. At this time, policy transfer still occurred mainly in the economic field, most notably the transfer of the market economy system. Other transfers also occurred to the market economy system supporting tools, mainly the transfer of the securities market and the modern enterprise system, as well as the promotion of the shareholding system policy transfer.

At the same time, the policy transfer also extended from the economic field to other fields, and the policy transfer was not only in the economic field in the 1970s and 1980s, but also in the fields of social security, education, science and technology, such as: pension, medical care, unemployment insurance, etc. in the social security field, and the introduction of MBA education programs in the education field, etc.

The phenomenon of policy transfer in various fields in this period shows that China is actively learning from the advanced experience of other countries and using it as an important reference in our policy formulation, which has become a major source of policy innovation.

## **2.2 2001-2012**

Marked by its accession to the World Trade Organization, China's policy transfer took on a different character than before, and it can be said that this was a turning point in China's policy transfer, and since then, a trend has emerged in China's policy transfer - more and more obligatory/responsible policies have been transferred to the country.

The World Trade Organization has its own set of goals, objectives and principles and requires member countries to comply with the various rules and regulations established, or face penalties. China's accession to the World Trade Organization inevitably entailed compliance with its rules and regulations. Therefore, China made a large number of transfers to the rules, regulations, and policies formulated by the WTO during this period.

One distinctive feature of this period of policy transfer is the presence of a large number of agreed policy transfers (or what can also be called obligatory/responsible policy transfers). At the same time, a large number of policy transfers occurred in various fields in China, with voluntary and active policy transfers predominating. For example, the introduction of MPA in adult education, etc.

## **2.3 2012-Present**

The problems that China is facing now were also faced by developed countries decades ago, and the practices of some countries provide us with lessons to learn from their outward development strategies, but this development approach is not an outward invasion or suppression of other countries, but a friendly way to seek common development among countries.

The "Belt and Road" initiative was proposed by China and has quickly gained the response and support of countries along the route. It is an effective transfer of policies such as the U.S. New Silk Road Initiative and the ASEAN Connectivity Master Plan, the most important infrastructure development component of the Belt and Road Initiative, which is a transfer of the U.S. New Silk Road Initiative to help rebuild various types of infrastructure in Afghanistan.

Based on the Belt and Road Initiative, China has transferred many supporting policies and instruments, such as the Asian Infrastructure Investment Bank (AIIB) and foreign investment policies. The establishment of the Asian Infrastructure Investment Bank can be seen as a transfer to the World Bank, and as China continues to grow and gain strength, there will be more such policy transfers. All of this means that China continues to deepen its global reach and seek common development among countries.

Although China's Belt and Road Initiative is a diversion from the U.S. New Silk Road Initiative, we are fundamentally different from the U.S. New Silk Road Initiative in that the ultimate goal of the U.S. offer to help Afghanistan is to serve the interests of the U.S., not to help Afghanistan, while China's "One Belt, One Road" initiative is basically to seek common development of countries, not just to develop their own economies.

## **3. Our policy transfer law**

Some patterns in the development of policy transfer in China can be seen from the above-mentioned division of stages.

### **3.1 More and more voluntary, positive and active policy transfers**

The great success brought by the reform and opening up has brought people a broad prospect of development. While summing up its experience, our government actively learns advanced experience and practices from abroad, and introduces policies of other countries in more and more fields, enriching our policy system.

### **3.2 Substantial agreed-upon policy transfers throughout**

China's transfer of agreement-based policies began with its accession to international conventions in the 1980s and

intensified after China joined the World Trade Organization. As a member of an organization, one is bound to comply with its rules and regulations, and therefore, as China joins more and more international (regional) organizations, the number of agreed policies transferred to the country will also increase.

### **3.3 Areas of policy transfer from homogeneity to diversification**

After the reform and opening up, policy transfer has gradually expanded from the initial economic field to other fields, and now it can be said that policy transfer is "blossoming everywhere", and policies transferred from other countries can be seen in the fields of economy, education, social security, science and technology, agriculture, etc. This phenomenon is not only in China, but also in other countries, and policy transfer has now become an important reference and source for countries around the world when formulating policies.

### **3.4 Policy transfer from domestic policies in a single area or a geographical area to transfer of international or regional cooperative policies**

Cooperative policies are policies proposed by one or more countries to promote the common development of countries within the framework of an international or regional organization by establishing an international or regional organization and binding its member countries with the constitution, rules, and institutions established by the organization.

An important feature of China's current and future policy shift is that it is becoming increasingly international and will propose more and more cooperative policies.

As China's economic power, scientific and technological strength, international status, and voice have increased significantly, China has the strength to go international. Therefore, China's policy transfer is no longer limited to transferring other countries' policies to China for implementation, but gradually starts to transfer some international or regional cooperative policies, and devotes itself to seeking cooperation among countries, taking the path of cooperative development, sharing and win-win, such as the "One Belt, One Road" initiative and the Asian Infrastructure Investment Bank. The "One Belt, One Road" initiative and the Asian Infrastructure Investment Bank are examples of this.

## **4. Conclusion**

With the development of economic globalization, countries are becoming more and more closely connected with each other, and the problems they face are becoming more and more similar, which makes China more and more willing to transfer some successful strategies of other countries to solve the problems that arise at home. After more than 40 years of reform and opening up, China's economic, scientific and technological strength has been strengthened, its comprehensive national power has been significantly enhanced, and its international discourse has been significantly strengthened, as well as the great achievements made in the "Belt and Road" initiative in the past five years, which have gained extensive support from other countries for China to go international and seek international cooperation. We have laid a solid foundation for international cooperation. In the future, the trend of China's commitment to cooperative policy transfer for inter-country development will increase significantly.

## **References**

---

- [1] DOLOWITZD, MARSHD. Learning from Abroad: The Role of Policy Transfer in Contemporary Policy — Making[J]. *Governance*, 2000, 13(1):5-24.
- [2] Bennet, C. J. Understanding Ripple Effects: the Cross — National Adoption of Policy Instruments for Bureaucratic Accountability, *Covemanc*, 1997, 10(3):213-233.
- [3] <https://baike.sogou.com/v366131.htm?cid=bk.lemma.share.qz>.