Social policy relates to the guidelines, principals, and measurements of a government to realize its strategic goals for development, ranging from promoting social welfare to redistributing public resources. Emerging from a particular historical period, social policy addresses problems that come as a result of industrialization and urbanization. Before the Reform, China had economic statistics, but no social statistics. Because the concept of social policy hardly existed, most social problems were treated as political ones. In 2006, for the first time, the Sixth Plenum of the 16th Central Committee of Chinese Communist Party (CCP) official adopted the term “social policy,” although social policy, as a concept, had been well received long before that.

Public policy, employed by the government to regulate social and economic issues, has a broader meaning than social policy. However, in the Chinese context, the two concepts are sometimes interchangeable.

Therefore, there are two concepts of social policy in China. The narrow concept refers to policies on social security and social welfare. The broad concept deals with political, economic, cultural, and social issues. This chapter adopts the broad concept to examine the policies on employment, social security, income, education, health care, poverty relief, and environment protection in China.

I. Curial Adjustments of Social Policy in the First Phase of the Reform

At the beginning of the Reform, first of all, to change the focus of its main task, the party replaced “class struggle” with “economic development” as its key line. With this change, policies on social class and redistribution took a crucial turn.
(I). Change in Social Class Policy and Transformation of Social Relation

It is well accepted that household farming indicates the beginning of the marketization-oriented Reform in China. According to the most popular version of the beginning of household farming, 18 villagers in Xiaogang Village, Fengyang County, Anhui Province, took great risk to sign a household farming contract in the winter of 1978. This event later was symbolized as the starting point of the Reform in rural China. However, some local governments did not experiment with household farming until the early 1980s. In September 1979, the Fourth Plenum of the Fourteenth Central Committee of CCP passed “Decision on several issues to accelerate agricultural development (guanyu jiakuai nongye shengchan ruogan wentsi de jueding).” To enhance peasants’ incentive in farming, although under this decision peasants still had to follow the national agricultural plan, it entitled peasants certain rights of decision making in farming. In September 1980, The Central Committee passed “Several issues on further strengthening agricultural responsibility system (guanyu jinyibu jiaqiang he wanshan nongye shengchan zerenzhi de jige wentsi)” to officially recognize the socialistic nature of household farming. By early 1983, agricultural responsibility system had been implemented across the country.

Actually, the real start point of the Reform is not in the introduction of family farming, but rather rejecting “taking class struggle as the key line.” As the first step of the Reform, transformation of class policy included: 1

First, overturning the verdicts of millions of “anti-revolutionaries (fangeming),” “capitalist-roaders” (zouzipai), “revisionists” (xiuzhengzhuyi fenzi), “black gangs” (heibang fenzi) and “spies.”

Second, rehabilitating intellectuals who had been labeled “stinking intellectual” (choulaojiu) during the Cultural Revolution, reaffirming intellectuals inclusion into the working class, and removing their “rightists” (youpai) labels affixed in 1957.

Third, removing the labels of landlords and rich peasants and treating them as commune members since January 1979. The status of their children had been upgraded to commune members as well.

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