

The Historical Change and Evolution Logic of Our Country's Pension System

-- From The Perspective of Historical Institutionalism

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Abstract

The pension system is a core component of the social security system and has gradually become an important component of the state's efforts to address population ageing, promote people's well-being and social equity. Based on the theoretical analysis frame of historical institutionalism, this paper combs the historical development venation and vicissitude path of China's pension system, and systematically summarizes the internal motive force and evolution logic of our country's pension system vicissitude, in order to promote the optimization of our pension system to provide inspiration for thinking. It is found that the changes of our country's pension system have experienced three stages: the initial establishment of traditional pension system, the socialization of modern pension system and the innovation and development of multi-pillar pension system. The reform of economic system, the change of value idea and the pressure of external environment are the deep structural factors that affect the changes of our country's pension system, thus hindering institutional change. The reform of state-owned enterprises, the interest conflict of the actors and the external demonstration effect provide the motive mechanism for the reform and change of our country's pension system.

Keywords

Pension system, Historical institutionalism, Key node, Path dependence, Historical change.

1. Introduction

The pension system is a core component of the social security system, becoming an essential element in addressing population aging, promoting people's livelihood security, and enhancing social equity. Since entering an aging society around 2000, China's elderly population has continued to increase. By the end of 2023, the proportion of people aged 60 and above reached 21.1%. This proportion is expected to exceed 30% by around 2035, marking the entrance into a severely aging stage. The accelerated aging population has led to a rigid increase in pension payments, posing a significant challenge to the balance of the basic pension insurance fund. The "14th Five-Year Plan" outline proposes to "improve the pension insurance system and promote the long-term balance of the basic pension insurance fund," and the report of the 20th National Congress of the Communist Party of China explicitly states to "improve the national coordination system of basic pension insurance and develop a multi-tiered and multi-pillar pension insurance system." At present, China has basically formed a multi-tiered, three-pillar pension system, but there are still many structural contradictions that need to be further improved through continuous reform. Therefore, in-depth research on the reform direction, transition paths, and evolutionary logic of China's pension system is an important task in the

new era to actively respond to the challenges of population aging and promote the sustainable development of the pension system.

Existing research on China's pension system mainly focuses on the following three aspects: Summarizing the development process of China's pension system from a macro-institutional perspective. For example, Lu Quan (2018) summarized the basic outline of China's pension system reform since the reform and opening-up. Cheng Zhigang and Wen Min (2019) systematically reviewed the development trajectory of the pension system since the founding of New China. Yang Yansui (2021) explored the three historical stages of China's pension system construction since the founding of New China. Analyzing the logic of China's pension system transition from different theoretical perspectives, such as the perspective of new institutional economics (Ren Xing, 2020) and the perspective of institutional change theory (Gao Han, 2019). Conducting in-depth analysis of various parts covered and extended by the pension system, such as the issue list of China's pension system reform (Zheng Gongcheng, 2020), pension system goals (Zhang Dong and Dong Keyong, 2022), pension gap analysis (Zhang Linlin et al., 2023), pensions for government and public institutions (Zhu Hengpeng et al., 2015), individual pensions (Zhang Yinghua, 2022), pension finance (Dong Keyong et al., 2021), etc.

The existing research presents a general scope of China's pension system and its reform paths, mostly summarizing the development process of the system from a macro-historical perspective and analyzing the logic of institutional change from a micro-institutional perspective. Few articles have systematically summarized the internal mechanisms of China's pension system transition from a meso-theoretical perspective. This paper will adopt a historical institutionalist theoretical analysis framework to review the historical development and transition paths of China's pension system, interpret relevant policy texts, and explore the interaction mechanisms between different variables such as subjects, ideas, and institutions. By identifying key nodes in institutional change, the paper aims to systematically summarize the internal driving forces and evolutionary logic of the transition of China's pension system. The paper will also combine international experience and domestic realities to propose specific suggestions for future pension system reform, providing insightful thoughts for optimizing and improving China's pension system.

2. Historical Institutionalism Analytical Framework

As one of the three major branches of new institutionalism, historical institutionalism combines the structural and historical dimensions of institutionalism to construct a comprehensive analysis foundation of "macro-structure - meso-institution - micro-actor. This approach seeks to deeply explore the development process of social institutions and the regular mechanisms of their transformation. The structural perspective of historical institutionalism emphasizes that the sequencing of political variables such as institutions, ideas, and interests greatly influences political outcomes. This means that changes in the sequence of variables or the combination of different elements form different structural frameworks, which in turn determine the political process and its outcomes. The historical perspective of historical institutionalism analyzes the diachronic changes of institutions along a timeline, emphasizing that the occurrence of policy events is based on and influenced by previous policy patterns, thus forming "path dependence." Moreover, historical institutionalism extends to the theory of institutional rupture and formation. During normal periods, institutional evolution is influenced by the law of path dependence, maintaining a certain balance between the institution and its environment as well as within the institution itself. However, during periods of institutional rupture, institutional change will occur, known as "critical junctures"

Based on the theoretical connotations of historical institutionalism, this paper constructs an analytical framework from three levels: deep structure, path dependence, and critical junctures, to deeply analyze the internal logic of institution formation and change. **Deep Structure Analysis:** This primarily explores the fundamental factors behind institutional formation and change from four aspects: economic systems, political systems, cultural ideas, and external environments, to explain the macro-environment of institutional change. **Path Dependence Analysis:** This explains the reasons for institutional stability and continuity from the aspects of self-reinforcement of the path and gradual change. **Critical Junctures Analysis:** By focusing on the critical junctures where old institutions transition to new ones, this reveals the driving factors behind the sudden change breaking the original path dependence.

The analytical framework of historical institutionalism can well adapt to the study of the transition paths and evolutionary logic of China's pension system. First, from a macro-structural perspective, China's modern pension system has undergone more than 30 years of development since its establishment. Historical institutionalism, by digging into the macro deep structure, helps analyze the macro-influencing factors in the pension system's transition process. Second, from the perspective of path dependence, the development of China's pension system exhibits strong path dependence characteristics. Historical institutionalism's theories of institutional rupture equilibrium and critical junctures help examine the fundamental driving forces of the pension system's transition. By grasping and analyzing the historical context, it can well explain the reinforcing paths and inertia of the pension system. Finally, from the perspective of critical junctures, the development trajectory of China's pension system has undergone multiple major transitions involving multiple influencing factors. Historical institutionalism's emphasis on analyzing the macro-structure, path dependence, and critical junctures of institutional change helps explain the process of stable continuity and transformational change of China's pension system. This approach reveals the internal logic behind the transition of the pension system, providing a panoramic analytical framework for the historical transition of institutions. At the same time, it provides referential ideas for the future reform and development of China's pension system.

3. The Historical Evolution of China's Pension System

Since the founding of the People's Republic of China, the pension system has undergone three major stages: initial establishment, reform exploration, and innovative improvement. This evolution marked a significant transition from a system targeting urban employees to one encompassing all citizens, from urban-rural segregation to urban-rural integration, and from a state-led pension supply model to a multi-tiered, multi-pillar social pension insurance system.

3.1. Establishment and Development of the Traditional Pension System (1950-1978)

The traditional pension system was built on a highly centralized planned economy, targeting urban employees with a retirement pension system. From the founding of New China until the pre-reform and opening-up period, the state implemented a series of social reforms, achieving public ownership of the means of production and gradually establishing a state-led pension system guided by the superiority of socialist equitable distribution. According to the "Labor Insurance Regulations of the People's Republic of China" issued by the Government Administration Council in 1951 (revised in 1953), enterprises were required to pay 3% of the total wages of employees as labor insurance funds monthly. Upon retirement, enterprises would pay retirement pension subsidies based on the length of service, amounting to 50% to 70% of the employee's wages, marking the initial formation of a pension system embedded within the labor insurance system. The issuance of the "Interim Measures for Handling the Retirement of State Organ Staff" in 1955 established a pension system covering all

administrative and public institution staff, with retirement pensions fully subsidized by the state treasury. In 1957, the "Interim Regulations of the State Council on the Retirement Handling of Workers and Staff" addressed the inconsistency in retirement benefits between enterprise employees and state organ staff. Thus, a preliminary pension system applicable to all government agencies, public institutions, and state-owned enterprise employees was established.

Overall, during this period, China's pension system exhibited the following characteristics: First, Establishment of a Unit Retirement Pension Model for Urban Employees: In the early stages of New China, by learning from the Soviet Union's "state insurance" pension system, a state-led pension model primarily based on welfare distribution was initially established. This model mainly covered employees of urban government agencies, public institutions, and state-owned enterprises, excluding informal urban employees and rural residents. Second, Construction of a Non-Contributory Pension System Guaranteed by the "State-Enterprise": Along with the establishment of a socialist transformation and public ownership economic system, the pensions for employees of enterprises and public institutions were respectively subsidized by state finances and enterprise payments, with no need for personal contributions, implementing a pay-as-you-go system. Third, Formation of Urban-Rural Segregation with Rural Pension Security Absent: The "Household Registration Ordinance of the People's Republic of China" in 1958 first classified urban and rural residents into "agricultural household" and "non-agricultural household" registration, marking the establishment of China's urban-rural dual structure. Due to low productivity levels and flaws in the resource allocation system, the collective pension pooling system in rural areas could not operate effectively.

3.2. Exploration and Reform of the Socialized Pension System (1978-2013)

From 1978 to 2013, alongside the reform and opening-up and the establishment of the socialist market economy, China entered a stage of constructing a socialized pension system, transitioning from the traditional pension system to a modern one. In 1986, the "Interim Provisions on the Implementation of the Labor Contract System in State-owned Enterprises" established a pension insurance system for labor contract employees, requiring both enterprises and workers to contribute to retirement costs. This marked the beginning of the socialized reform of China's modern pension system, transitioning from the "state-unit" guaranteed pension system of the planned economy to a social pooling system. In 1995, the "Notice on Deepening the Reform of the Pension Insurance System for Enterprise Employees" proposed the introduction of a combined social pooling and individual accounts system in the statutory pension system. This marked the determination of China's basic pension insurance system model. In 1997, the "Decision on Establishing a Unified Basic Pension Insurance System for Enterprise Employees" specified the pension collection model, contribution rates, and payment methods, formally establishing the "combination of social pooling and individual accounts" system for urban enterprise employees. In 2008, the "Decision of the Central Committee of the Communist Party of China on Major Issues Concerning Promoting Rural Reform and Development" proposed the establishment of a new rural social pension insurance system (referred to as "New Rural Pension"). This system combined individual contributions, collective subsidies, and government subsidies, clarifying the government's fiscal subsidy responsibilities and the combined social pooling and individual accounts fund model. In 2011, the "Guiding Opinions on Launching a Pilot Project for Urban Residents' Social Pension Insurance" included urban non-employed persons in the social pension insurance system, initiating the "Urban Residents' Pension" system pilot. By the end of 2012, the pension system for urban and rural residents had achieved near-total coverage.

During this phase, China's pension system underwent extensive socialized exploration and deep reform, with the new socialized pension system gradually replacing the traditional

retirement pension system. On one hand, the basic model of a pension insurance system combining social pooling and individual accounts was established, requiring enterprises and individuals to share the basic pension costs, thus altering the traditional non-contributory enterprise employee pension model. On the other hand, the coverage of the pension system expanded from urban employees to all urban and rural residents. The reform process evolved from the "Old Rural Pension" to the "New Rural Pension" and then to the "Urban Residents' Pension," further broadening the range of pension security recipients and the scope of the pension system. This transition also moved from a traditional family-based pension model to a socialized pension system that combines social pension insurance with family pensions.

3.3. Improvement and Innovation of the Multi-Pillar Pension System (2014-Present)

Since 2014, China's social pension system has advanced towards a unified, integrated, multi-pillar, multi-level, and sustainable direction. In 2014, the State Council issued the "Opinions on Establishing a Unified Basic Pension Insurance System for Urban and Rural Residents," deciding to merge the "New Rural Pension" and the "Urban Residents' Pension" to establish a unified national basic pension insurance system for urban and rural residents. In 2015, the State Council released the "Decision on Reforming the Pension Insurance System for Staff in Government and Public Institutions," requiring government and public institutions to implement a basic pension insurance system combining social pooling and individual accounts, with pension costs jointly borne by units and individuals. Additionally, it required these institutions to establish occupational annuities, partially funded by units and individuals. This alignment marked the beginning of a new phase in the comprehensive construction of a new multi-level and multi-pillar pension system in China. In 2018, the "Notice on Launching a Pilot Program for Deferred Tax Commercial Pension Insurance" was issued to support the development and growth of commercial pension insurance. In 2022, the State Council issued the "Opinions on Promoting the Development of Personal Pensions," deciding to advance the development of the third-pillar personal pension. In November of the same year, the "Implementation Measures for Personal Pensions" were introduced, facilitating the implementation of personal pensions and formally establishing China's multi-pillar pension system. To date, China has initially established a three-pillar pension system consisting of basic pension insurance, enterprise annuities, occupational annuities, personal pensions, and other commercial pension financial services.

During this phase, China's pension system achieved integration and continued to improve and innovate, making substantial progress in the construction of a multi-level, multi-pillar pension system. On one hand, the unification of the basic pension insurance system for urban and rural residents moved from a dual structure to a coordinated approach, ending the dual-track system and eliminating disparities in sector-specific pensions. This established a fair and just orientation for pension protection by implementing a unified pension system for all. On the other hand, the creation of enterprise annuities and occupational annuities as supplementary pension insurance systems, along with the establishment of a personal pension system supported by government policies, voluntarily participated in by individuals, and operated in a market-oriented manner, marked the innovative development of China's multi-level, multi-pillar pension system.

4. The Evolutionary Logic of China's Pension System

By reviewing the development and evolution of China's pension system, it is evident that it has undergone several significant phases: from a state-dominated model in the early years of the People's Republic of China to a combined social pooling and individual accounts model after the reform and opening-up, and more recently, towards a multi-level and multi-pillar system. Each

phase of reform took place within specific historical and policy contexts, forming different paths of institutional change. The following analysis uses the historical institutionalism framework to examine the deep structure, path dependency, and critical junctures in the evolution of China's pension system, aiming to clarify the internal logic of its transformation.

4.1. Deep Structure

Historical institutionalism is characterized by a structured analysis, emphasizing the significant influence of macro institutional environments and micro political variables on institutional change. Exploring the deep structure behind China's pension system reveals that its evolution has been influenced by both macro social environments, such as economic systems and political institutions, and micro political variables, such as ideologies and interest relations.

Macro Social Environment Determines the Formation and Evolution of the Pension System

The macro social environment creates specific historical contexts for the formation, transformation, and continuity of institutions, determining the structural dynamics and logic of institutional development. The traditional state-dominated pension system in the early years of the People's Republic of China was influenced by the following macro-environmental factors: First, Post-1949 Context: In the early years of the PRC, with lagging productivity and urgent needs across all sectors, coupled with international isolation and political pressure, the central government's primary policy goal was to consolidate state power and demonstrate the superiority of the socialist system. Under the strategic context of socialist transformation and prioritizing heavy industry, it was imperative to establish a pension system that could guarantee the retirement benefits of key sector employees. Second, Planned Economy: The establishment of a planned economy based on collective ownership meant that wage distribution mechanisms in enterprises and government institutions were integrated into a unified national income distribution system. Consequently, a state-dominated pension model focused on egalitarianism and welfare distribution became a natural outcome under the planned economy system. Third, Soviet Influence: Facing economic blockades and political isolation from the West, China modeled its pension system on the Soviet "state insurance" approach, resulting in an egalitarian and universally beneficial pension system financed by the state treasury.

Since the reform and opening-up, China's pension system has transitioned from a traditional to a modern type, entering a phase of socialized reform and exploration, influenced by the following macro-institutional contexts: First, Economic Shift: Post-reform, the party and state's focus shifted towards economic construction, leading to the establishment of a socialist market economy. To adapt to socio-economic transitions, the development of a modern pension system became a policy priority. Second, Labor Market Changes: The implementation of the household responsibility system in rural areas and the labor contract system in urban areas dissolved the traditional collective unit-based support structure. The increasing number and expanding scope of the non-public sector labor force made the state-controlled pension model for urban employees increasingly disconnected from the socio-economic reality. Third, Welfare State Crisis: In the 1970s, Western countries experienced a welfare state crisis, with large-scale economic stagnation making it difficult for state finances to sustain universal pension payments. This led to a shift towards "de-welfarization" in China's pension policy framework.

Since the 18th National Congress of the Communist Party of China, the innovative development of China's multi-level and multi-pillar pension system has been shaped by the following macro-institutional environments: First, Policy Shift: The development policy for social security shifted from "broad coverage, low level, multi-level" in the early 1990s to "universal coverage, basic protection, multi-level, and sustainability." The 19th National Congress report highlighted the transformation of China's principal social contradictions, indicating that the pension system should aim to meet people's needs for a better life, regulate social distribution, and uphold fairness and justice. First, Socio-Economic Transformation: With deepening socio-economic

transformation, issues like urban-rural disparity, regional imbalances, and population aging have become more prominent, necessitating continuous pension system reform and improvement. Third, Global Trends: The global trend of population aging and the World Bank's advocacy for the integration of private and public pensions have spurred an international movement towards multi-pillar pension system reforms. In response, the Chinese government has proactively implemented measures to promote the development of supplementary and commercial pensions, constructing a multi-level and multi-pillar pension system.

By examining these deep structures, it becomes clear that the evolution of China's pension system is closely tied to its macro social environment and the changing political-economic landscape, influencing the formation, transformation, and continuity of the pension system.

(2) Micropolitical variables promote the reform and improvement of the pension system

In the analytical paradigm of historical institutionalism, the macro institutional environment is not the only variable that affects political behavior, and the micro variables such as interest relations and values are embedded in the causal chain of institutional change, which restricts the development of the system. The continuous reform and improvement of China's pension system are also affected by the relationship between concepts, ideologies and the interests of the main body.

Conceptual cognition mainly includes two elements: value belief and ideology, and the change of concept will adjust the behavioral orientation of policy subjects, and then promote institutional change. The "egalitarianism" in the era of planned economy, the "efficiency first" in the market economy period and the value orientation of "fairness and justice" in the new era jointly promote the changes of China's pension system. In the early days of the founding of the People's Republic of China, the implementation of egalitarianism became an important policy concept to maintain state power, and the establishment of a relatively average inclusive pension supply system became an important policy tool for the country to follow the mainstream ideology. After the reform and opening up, under the influence of the neoliberal system, but also in order to adapt to the requirements of social and economic transformation and state-owned enterprise reform, the design of the pension system negates the egalitarianism of the planned economy era, adopts the value orientation of efficiency first, implements the pension system that combines social pooling and personal accounts, and systematically shrinks the scope of national responsibility, and the individual and collective become a new policy tool for pension insurance. Since the 18th National Congress of the Communist Party of China, the main contradiction in China's society has been transformed into a contradiction between the people's growing needs for a better life and unbalanced and inadequate development. In this context, the pension insurance system is facing qualitative changes, and the construction of a new social pension insurance system with Chinese characteristics with the goal of fairness and sustainable value has become the main task of the reform of the pension insurance system in the new era.

"The change in the balance of power of the different political groups on which the system depends is the key to our understanding of the historical process of change in the form and function of the system in the social and political reality". The balance of power and the expression of interests of different actors are important driving forces for institutional change. The main actors in the change of the pension system mainly include urban and rural residents, employees of enterprises and government institutions. At the level of urban and rural residents, during the period of planned economy, the household registration status of workers was separated from their occupational status, forming a household registration barrier and an occupational group barrier, and the pension was only the patent of urban residents. The reform of the economic system has brought about the free flow of production factors, the scale of cross-unit, cross-industry and cross-regional flow has been increasing, especially the scale of labor flow between urban and rural areas has been increasing, and the demands for equal rights and

interests of urban and rural residents have been continuously improved, thus promoting the transformation of the pension system from urban and rural division to urban and rural co-ordination. At the level of the workers of enterprises, government agencies, and public institutions, due to the gradual widening gap in retirement benefits between the three interest groups of enterprises, institutions, and government agencies during the period of the planned economy, with the passage of time, the criticism and dissatisfaction of the employees of enterprises with the establishment of a privileged pension system by party and government organs and public institutions have increased day by day, and have even reached an uncontrollable level. Therefore, breaking down the barriers between units and occupations and ending the dual-track insurance system has become an inevitable trend in the reform of China's pension system.

4.2. Path dependence

Path dependence refers to the fact that once a certain system is selected, the system itself will trigger a self-reinforcing mechanism, enter the inertia of self-maintenance, stability and "locking", and continue to be in a state of "institutional balance". Institutional change is constrained by the historical development trajectory and the existing institutional structure, showing inertia effect and lock-in phenomenon. Through the combing of the historical development process, it is found that the changes of China's pension system since the founding of the People's Republic of China have extremely complex path dependence characteristics, and in the reform of China's pension system, the path dependence phenomenon is manifested in the continuous influence of the historical system, the obstacle of vested interests and the mutual coupling between systems. There is not only the identity isolation caused by the long-term dual-track creation, the negative dependence brought about by the single-pillar pension insurance system, but also the positive dependence on the pursuit of improving the overall level of basic pension insurance society.

In the past reform of the basic old-age insurance system, China has gradually implemented reform measures for the workers of urban enterprises, urban and rural residents, and employees of government agencies and institutions. However, this reform process has shown obvious characteristics of identity segregation, which makes the pension insurance system lack basic fairness. After the reform and opening up, because the organs and institutions were not included in the first batch of market-oriented reform of the frontier departments, their personnel system still continued the "iron rice bowl" system formed during the planning system, and it was difficult to establish a salary system mechanism of "more work and more rewards, excellent performance and better pay" under the market economy system with the employees of the enterprise, and the corresponding pension system could not be fundamentally reformed [Reform ideas consistent with the international trend: A review of the reform system of China's institutions and institutions]. In addition, during this period, the model dominated by the single-pillar basic pension insurance system was still adopted, and the concept of a multi-pillar system was not substantially implemented. In this process, the state and the corresponding responsible departments continue to accumulate experience through learning and practice, which in turn produces a learning effect, which exacerbates negative dependence. On the other hand, the stability of China's pension insurance system mainly comes from social co-ordination. The reform of the pension insurance system for employees of enterprises and government institutions has produced significant positive externalities, such as promoting the smooth operation of the labor market, stimulating market vitality, and attracting outstanding talents. This huge coordination effect has continuously strengthened the social co-ordination characteristics of the basic pension insurance system. Although the level of social co-ordination has undergone many changes in the process, for the sake of maintaining the good operation and long-term adaptability of the system, the efforts to improve the level of social co-ordination

have never stopped, showing a positive state of lock-in. This positive lockdown means that the system continues to develop steadily.

4.3. Key nodes

The key node is a major event in the historical development that has a major turning point and impact on the trajectory of institutional change, which in turn makes the original balanced system rupture, resulting in the collapse of the old system, and the emergence of a new system. From the analysis of the historical context combed above, there are three major key nodes in the historical changes of the pension system.

First, the reform of state-owned enterprises has led to the transformation of the pension system from traditional to modern. In 1984, China's state-owned enterprise reform policy ended the traditional employment tenure system, and also reduced the excessive dependence of employees on the unit, marking the formal transition of the "state-unit" old-age security system to the overall planning of the old-age society during the planned economy period. In 1986, the Interim Provisions on the Implementation of the Labor Contract System in State-Owned Enterprises and the Interim Provisions on Unemployment Insurance for Employees of State-owned Enterprises were promulgated one after another, establishing the requirements for the full implementation of the labor contract system in state-owned enterprises, and stipulating the arrangements for the implementation of the overall social pension plan for contract workers and the obligation of enterprises and individuals to jointly pay social insurance premiums. This measure makes the state, units and individuals need to share the responsibility for the elderly, thus opening the prelude to the social common responsibility model.

Second, the policy orientation of the Party Central Committee determines the transformation path of the pension system. The report of the 17th National Congress of the Communist Party of China in 2007 clearly highlighted the importance of people's livelihood construction for the first time, and devoted a special section to the direction of social security construction, emphasizing the need to better ensure social fairness and justice. In the report, social security is regarded as an independent, systematic and complete economic and social system, which frees it from the secondary position of economic construction. Since the 18th National Congress of the Communist Party of China, the construction of the social security system has been people-centered, adhering to the basic principles of full coverage, basic protection, multi-level and sustainability, starting from enhancing fairness, adapting to mobility and ensuring sustainability. Fair and sustainable value recognition replaces the original value concept of efficiency first as the basic principle of leading the reform of the pension system, and guides the reform and adjustment of China's pension system to develop in a unified, integrated, multi-level and sustainable direction.

Third, the international model innovation provides demonstration experience for the reform of the pension system. Third, when choosing a pension model, China has been affected by the existing model and reform of the international pension system. Among them, the most representative is the establishment of the combination model of employee pension insurance, which is the result of the combination of systems after learning and drawing on the pay-as-you-go system of Germany and the complete accumulation system of Chile. In addition, at the end of the 20th century, the World Bank encouraged the integrated development of private pensions and public pensions, and countries actively promoted the multi-pillar pension insurance system model. China's multi-pillar pension insurance system is established and improved on the basis of the practice of countries around the world. The reference and reference of these international pension models enable China's pension insurance system to better adapt to the domestic situation, and learn lessons from it to ensure the long-term sustainable development of the pension system.

5. Future prospects

This paper uses the analytical framework of historical institutionalism to sort out the change process of China's pension system and divide it into the initial establishment stage of the traditional pension system, the exploration stage of the reform of the modern pension system and the innovation and improvement stage of the multi-level pension system, and analyzes the internal change logic of China's pension system from three levels: macro structure, path dependence and key nodes. At present, China's pension system reform has indeed made remarkable achievements, but the task of reform is far from complete, both need to further promote the existing reform measures, but also to actively respond to new challenges. In the future, the reform of China's pension system still needs to pay attention to the following points: First of all, the interrelationship between path dependence and change development should be properly handled. The new pension insurance policy with Chinese characteristics is comprehensively deepened on the basis of the continuous reform and development of the pension insurance policy after the reform and opening up. China's pension insurance system has gradually developed from a passive response to a temporary policy design to a comprehensive construction of a new type of pension insurance system with Chinese characteristics, in which each step of reform begins with an in-depth consideration of China's national conditions, and reflects the fundamental nature and basic characteristics of the basic socialist system. In doing so, it is important to ensure that the relationship between path dependency and change development is properly addressed. If the supporting conditions of the relevant policies are not yet perfect, and the results are too eager to achieve results, it will often lead to the opposite of the expected goals. Policy reform is a gradual evolutionary learning process, and the reform of pension insurance policy can only achieve the existing policy objectives safely and effectively only in the case of systematic reform plans and complete supporting measures.

Building a multi-level pension insurance system requires the joint efforts of the state, units and individuals. The state should bear the responsibility for basic old-age security, units should provide supplementary old-age insurance, and individuals should enhance their sense of personal responsibility. Coordination and cooperation are the key to achieving the sustainable development of the pension insurance system. The state plays an important role in building a multi-level pension insurance system. First of all, the state should ensure the accessibility and stability of basic old-age security, and provide the most basic old-age security for all the elderly. Second, the state should formulate policies and regulations to provide financial support and regulatory guarantees to ensure the sustainable development of the pension insurance system. Finally, the state should strengthen information disclosure and social participation, and enhance the transparency and public trust of the pension insurance system. As a participant in the endowment insurance system, the unit shall bear the responsibility of supplementing the endowment insurance. At the same time, the unit should strengthen management and supervision to ensure the safety and stability of supplementary pension funds. Personal liability is an important part of a multi-level pension insurance system. Individuals should enhance their awareness of pension and actively participate in the payment and management of personal account pensions. At the same time, individuals should actively plan their own pension sources, reasonably arrange personal savings and investment, and contribute to their own pension security.

Finally, it is necessary to adhere to the value orientation of fairness and mutual assistance. The fair value orientation refers to the pursuit of fair distribution and equality of opportunity in the design and implementation of the pension insurance system. The fairness of the pension insurance system is reflected in the equal protection of rights and interests, the reasonable sharing of burdens and the universality of services. The principle of mutual aid refers to the

achievement of the goals of the pension insurance system through shared risk-taking and mutual assistance. The mutual assistance of the pension insurance system is reflected in the aspects of joint contributions, risk sharing and mutual support. The principle of mutual aid helps to establish social consensus and citizen participation in pension insurance, and enhances the sustainability of the system. In order to promote the implementation of fair value orientation and the principle of mutual aid in the pension insurance system, it is necessary to formulate a clear development path and policy recommendations, including improving system design, strengthening supervision and risk management, and promoting the participation and autonomy of insured personnel. At the same time, it is also necessary to strengthen international exchanges and cooperation, and learn from the experience and practices of other countries in order to achieve a fair, stable and sustainable pension insurance system.

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