


# Working Poor in Decommodification Between Belgium and China

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## ABSTRACT

The research uses a comparative analysis framework to interpret the multiple commodification processes for the working poor, which consists of research tropisms from a macro-sight system and from the internal mechanism and proceeding course of the social security system. Based on this framework, the authors try to establish an ideal type with a universal explanatory power to reveal the impact of cross-national diversity on social security systems in the decommodification process among poor female workers. The research also examines the extent to which such differences ever existed between Belgium and China in empirical terms.

## KEYWORDS

Belgium, China, Decommodification, Social Security, Working Poor

*The state is the sum of the public services already established.*  
—Brousse, P. (2011). *La propriété collective et les services publics. Le Bord de l'eau.*

## INTRODUCTION

According to the cross-national observation, women who work in poverty have different profiles in Belgium and China. The research explains why this kind of gendered poverty still exists amidst a vigorously developing economy, promoting the employment rate, and pursuing gender equality. In other words, under the ever-improving social security systems and their corresponding global and local markets, how can the possible effects of these changes on the increase of poor, female workers in the labor market be interpreted?

Different national paths in social security developments are nothing new in comparative social policy, but the different social security system designs have different ways of shaping the working in poverty. Regarding poverty, the debate of social security systems, in general, provides valuable insights in both conceptual and explainable terms but is not directly applicable to comparative analysis due to the diverse national contents. To close this analytic gap and respond to the questions mentioned above, we introduce “decommodification” as a unique analysis perspective. In this way, individuals can better understand how social security settings can help workers face possible risks throughout their lives. Also, it enables individuals to recognize the institutional differences of their relevant, international support level. To a large extent, the working poor deserve proper decommodification through a refined social security system. In nations with diverse developmental processes in terms of

DOI: 10.4018/JCAD.2021010102

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“modernization” and “globalization”, there are significant differences in organizing social security systems. Systems vary in the relative importance of commodified and decommodification processes, concerning the degree to which social benefits connect to contributions associated with paid workers and the degree to which programs have specific provisions for different working groups. On this premise, the risk of poverty depends primarily on income (e.g., salary), but it also depends on the level of social protections received by those with low pay in the labor market. In this paper, we understand the diversity of women who work in poverty by observing the adequacy<sup>1</sup> of social support from diverse social security systems internationally; one can assume that the risk of poverty among the employed population might also come from the “turning a blind eye” to existing social security.

Before the implementation of the comparative study, we first trace Esping-Andersen’s proposed “decommodification” back to a Marxist origin. In the Marxist view of the labor market, capital commercialization of the labor force refers to the means of subsistence for laborers and mainly depends on selling their labor (Marx, 1967). Thus, the employment relationship becomes generally tradable, and workers always count as the “imaginary goods” (Polanyi & MacIver, 1944). In this context, the explanation of poverty since the 19th century was no longer limited to individual factors. The uncontrolled conditions for workers into poverty (i.e., the “working poor” today) can be recognized as a process of materialization, alienation, or “recommodification” in the labor market (Holden, 2003).

On this basis, Esping-Andersen (1990) coined “decommodification” as the central character of welfare, which signals “the degree to which individuals, or families, can uphold a socially acceptable standard of living independently of market participation” (p. 3). In this sense, “decommodification” serves against human’s high dependence on “pure market force” (Esping-Andersen, 2000). In his influential publication *The Three Worlds of Welfare Capitalism*, Esping-Andersen developed a welfare state typology based on three dimensions: the relationship between the state and the market in the deliverance of welfare, the stratifying effects of the welfare state, and the quality of social rights (Dewilde, 2006). Among them, the last dimension is the extent of decommodification. Decommodification reflects the correlation between the distribution of social benefits and a worker’s contribution to the market. The closer the relationship is, the lower the decommodification is, and vice versa.

The early discussion of (re)commodification offers insight into the origin of social welfare, and the relevant analyses of decommodification partially reflect the significance of the independence of a worker to a market-oriented economy. Social security is the embodiment of this concern. To decommodify workers, welfare states develop a series of social benefits and welfare service provisions. Through promoting social security development, the person’s basic living can be maintained without being affected by the market. Similarly, as an essential dimension of working in poverty in the research, decommodification addresses the main functions of social security to support the working poor regardless of market participation. This decommodification process involves a series of formal policies such as a pension, sickness benefits, unemployment security, etc., which vary across countries with close correspondence with workers’ well-being and the risk of being poor (Hemerijck, 2012; Koch & Fritz, 2013). For example, suppose decommodification regarding welfare (rather than workfare) remains at a high level, which is guaranteed (at least) the minimum income protection and the high replacement rate indicated by social insurance, it is likely to lower the risk of working in poverty risk (Barchiesi, 2001; Lohmann & Marx, 2008; Lohmann, 2008; Van Lancker, 2012).

In Karl Marx’s era, the economic development needed to transfer labor to productive forces, including the “reasonable” existence of inequality and oppression, with the result of direct materialization of labor. Through giving social rights by the forms of social security, decommodification was classically essential for (male-dominated) workers since the system materialized and needed a liberation from the labor market. After a review of publications about decommodification, the authors discuss four trends in decommodification research: 1) the continual discussion of the worker’s decommodification into the field of social welfare (Anderson & Hecht, 2015; Holden, 2003; Mütlevellioglu & Cizel, 2010; Scruggs & Allan, 2004; Vail, 2010); 2) the expansion of decommodification analysis in the economic field,

such as ecological economy, green economy, etc. (Carruthers, 2014; Gerber & Gerber, 2017; Knuth, 2017); 3) the explorations of decommodification in individual health (e.g., self-perception health and work-injury; Abel, 2015; Gal, 2004); and 4) the innovative application of the decommodification typologies into the East Asian welfare regime (Aspalter, 2005; Blackmore, Keeley, Pyburn, Mangnus, Chen & Yuhui, 2012; Gough, 2000; Kam, 2012; La Grange & Pretorius, 2005). Through the above research trends, we find that scholars are concerned about social equity in the distribution of social benefits, the refinement or reconstruction of welfare regimes, and individual life care.

In comparison to these focused points, it is worth noting that some research does focus on diversity in the process of decommodification. Nevertheless, these differences originate from the social security, social structure, and culture shock internationally, which could enable researchers to better understand the possible “multiplicity” of linking the welfare state development to the final position of the individual in different societies. Thereby, it calls for (to an appropriate extent) the international analysis of multiple decommodification forms/paths in existing diverse social security systems. Second, the study of decommodification on the gender dimension remains understudied, and the existing relevant analyses cannot provide a complete explanation for the prevalence of working in poverty in different countries, especially for poor female workers. Since decommodification differentiates by sex in terms of both process and degree (even though it operates within the same type/pattern of social security), the study of decommodification without any gender-specific perspective is not that simple, which is far from enough. The differentiated decommodification paths between men and women are challenging the generalized/generic interpretation of the potential impact of social security on the working poor. From a gender perspective, it is crucial for women who work in poverty to be economically independent through decommodification, so that they can be liberated from “the compulsion to enter or stay in a marriage because of economic vulnerability” and be liberated from the vicious cycle of “working hard and [being] paid poor[ly]” (Orloff, 1993, p. 321). Women have historically been the primary providers of unpaid domestic work; to date, they still shoulder a disproportionate burden of family care and suffer marginalization in employment based on gender (Janus, 2012). With the changes in market and family structures, more women are participating in economic activities and their rights and interests are expressed gradually and legally. General workers and female workers are suffering the risk of poverty, but poor female workers might be shaped not only by the market but also by family or traditional “natural” obligations/so-called “common sense”.

With this background, the rapid development of welfare states follows the rethinking of the relationship between the existence value of a human being and value as a worker in the labor market. On this basis, it has been argued that a decommodified society helps recognize the worth of a human being as distinct from the contributions they make in the economic field. Furthermore, poor female workers may be involved in the process of relatively low decommodification while having specifically differentiated paths in the different contexts of societies.

Based on these four aspects, the analysis of decommodification enables individuals to keep an eye on the relationship between working in poverty and social security in the labor market as well as the multiple forms (e.g., incidence, compositions, etc.) of working in poverty differ substantially from these connections. The paper focuses on analyzing this “multiplicity” in the process of decommodification in social security between Belgium and China. On the premise of this, the authors propose a theoretical hypothesis: poor female workers may face an increasingly high risk of poverty through a low decommodification process set by various forms of social security systems. The research intends to prove such an understanding and to highlight that working in poverty comes in “multiple” guises in which diverse settings of social security may impact on workers’ decommodification process to a varying extent at the country level. The starting point for this task stems from the notion of “multiplicity”. By looking at the institutional contexts in Belgium and China, the multiple forms of working in poverty are observable. Thereby, this work discusses how the different institutional influences (i.e., the influence of the degree of decommodification) affect

Table 1. Working poverty rate in China (% of total employment)

China (ILO estimation)	1986	1997	2013
Working poverty rate	11.3%	19.1%	13.6%

Sources: working poor rate in 1986 and 1997 comes from "The size of the working poor in developing countries", ILO- Employment Paper 2001/16; working poor rate in 2013 comes from ILO - Trends Econometric Models, April 2014.

employment and working in poverty using Esping-Andersen's (1990) four types of social security that impact on the decommodification process to workers.

## SELECTING BELGIUM AND CHINA FOR COMPARISON

### Gendered Poverty Issues in Labor Markets with a High Rate of Female Participation

In the international comparison of poor female workers, China represents a typical case, as it has a high female labor force and relatively high gender inequality in the workforce. Women's employment in China ranks as one of the highest in the world, with a female labor force of 63.3 percent in 2016 (World Bank, 2017). Meanwhile, China records a relatively high incidence of working poverty (13.6 percent) of total employment in 2013 (less than \$2 per day) (see Table 1). Women have suffered more disadvantages than men regarding employment, payment, and retirement age since the 1978 economic reform and market transition (Chi & Li, 2014; Song & Dong, 2011; Tang & Long, 2013). In China, women experienced a great status change from "women hold up half the sky" (Mao Zedong, 1965) to "women are 'losers' during China's market transition" (He & Wu, 2014). A growing gender gap persists in participation and earnings, which indicates women's higher risk of poverty than men in employment. With regards to wage equality, according to the Global Gender Gap Report (2016), women in China earn 35 percent less than men for similar work and rank in the bottom third of the Global Gender Gap Index. Moreover, in terms of occupation level, women in China show relatively weak empowerment with a female/male ratio of 0.20 in positions of legislators, senior officials, and managers (World Economic Forum, 2016). Based on this information, the working in poverty issue is gender specific, and the focus on gender equality has officially been re-emphasized since the 1990s.

This gendered tendency also happens in some European nations, such as Belgium. Belgium is very successful in avoiding poverty among workers (Peña-Casas, 2009). However, it seems it does not always work for all people, at least not explicitly targeted to women. In terms of labor force participation, Belgium shows relatively higher female participation in the labor market at the EU level (Figure 1), and about working in poverty, the incidence of working poor records a relatively low level among the European countries. Nevertheless, as presented in Table 2, women suffer a higher risk of working in poverty than men. At the EU level, working in poverty has been increasing strongly in most countries (Marx & Nolan, 2012). Europe shows a common phenomenon that men usually suffer a higher risk of working poverty than women in the labor market (EU27 in 2015: male 10.2% > female 8.7%), while also slightly differs across nations. Although many nations mask a similar tendency to the EU level, some nations do not. For instance, Germany, Belgium, and Norway all record a higher rate of working in poverty for women than for men. Moreover, when tracing the gender gap of the working poor growth rate, more than half of the EU nations experience a higher growth rate for women. The gender gap in Belgium has been on the rise during the 2010s when women maintained a slightly higher growth rate of the working poor. In this sense, Belgium is likely to experience an over-represented and growing trend in poor female workers in the coming years.

Remarkably, Belgium reflects the same working poverty issue as China; the risks of working in poverty for women in both nations is increasing, and the gender gap tends to be wider. The growth in the gender gap of working in poverty reflects that women still suffer a higher risk of experiencing poverty when they are working, even in nations with a high rate of female employment. Thereby,

Table 2. In-work at-risk-of-poverty rate by sex in Belgium (2005-2016) (Age:18-64)

Belgium	2005	2006	2008	2010	2012	2014	2015	2016	Growth
<b>Total</b>	3.9	4.0	4.7	4.4	4.5	4.8	4.5	4.7	0.8
<b>Female</b>	3.1	3.6	5.1	4.1	4.4	5.1	4.7	4.6	1.5
<b>Male</b>	4.6	4.3	4.4	4.8	4.5	4.5	4.3	4.8	0.2

Sources: Eurostat-In-work at-risk-of-poverty rate by age and sex - EU-SILC survey ([ilc\_iw01]). Data of 2000 comes from Brady et al. (2010).

the primary consideration for comparing Belgium and China is to focus on the gendered tendency of working in poverty that both nations have been recently experiencing. Moreover, examining poor female workers by international comparison is meant to answer a common question: why working in poverty seems to impact women more in these nations. Although they may be different in many ways regarding socioeconomic contexts, they are closely matched on the working poverty issue. First, they are both members of international organizations: The Organization for Economic Co-operation and Development (OECD) and the International Labor Organization (ILO). Further, Belgium and China explicitly share a common reference point in terms of employment and workers' well-being. Second, the Belgian labor market and Chinese labor market are appropriate "terraces" for examining the prevailing processes for the gendered trend in the working poor. Moreover, globalization and modernization are never the processes of homogenization, which de facto produce even greater complexity in flexibility and precariousness in employment forms, which leaves the person to face lifecycle risks in an individualized way. Thus, we recognized the pluralization trends of poverty and inequality. That is, the different ways the phenomenon of poverty can emerge and spread as well as the explanatory factors based on national-state contexts. Then, we argue that the incomparability is based on a significant difference in societal contexts, which is a breakthrough in detecting the diversity of this working poor phenomenon. In this way, researching women working in poverty in both Belgium and China can help develop a foundation for such transnational dialogue in the future.

### Working in Poverty: An Economic and Gendered Topic

Working in poverty is not only an economic topic. For example, in Belgium, the working in poverty rate developed parallel to the GDP from 2004 to 2015 (see Figure 1). Such a tendency masks the fact that the incidence of working poor is not cyclical with an economic downturn. In contrast, working in poverty increased when the economy improved, both in 2008 and 2014, which seem to show that economic growth alone did not efficiently reduce the risk of poverty among the working population. Based on this, it is worth noting that working poor coexist with rapid economic development and other non-economic features. Therefore, the working poor are most likely poor because of other factors coming from the labor market or households. Based on this, we explore the working in poverty issue as a multidisciplinary problem, which is not limited to economics but is also linked to changes in family, the market, and the welfare provision.

Moreover, working in poverty is no longer a gender-neutral phenomenon, and women seem to be more likely than men to fall into poverty in the labor market. According to Eurostat data, women in the EU-28 level present a consistently lower risk of working in poverty than men from 2010 to 2015. However, women in Belgium have gradually higher risk rate than men in the labor market since 2014. Although Belgium shows a comparatively low working in poverty rate in Europe, there is a steady rate of 4.7% of employed people who suffer a high risk of poverty. Moreover, women record the over-represented and increasing trends to become the working poor. When looking at working in poverty rate by age, the risk of the working poor is significantly higher in the age group entering the labor market- age from 18-24. Comparatively, the risk rate decreases with age, growing in the EU 28 level, while Belgium shows the increased risk of working in poverty in the age group of 55 to 64 (both for men and women). Moreover, women in Belgium show a significantly higher risk of

Figure 1. GDP and in-work at-risk-of-poverty rate in Belgium. Source: The World Bank. GDP, Belgium.

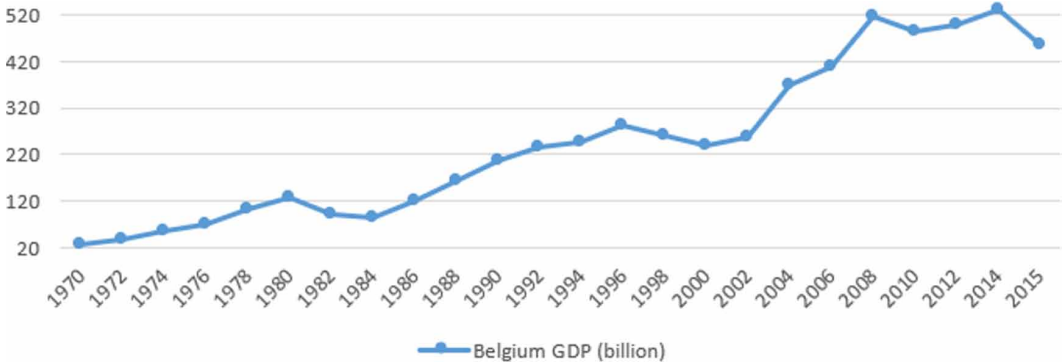
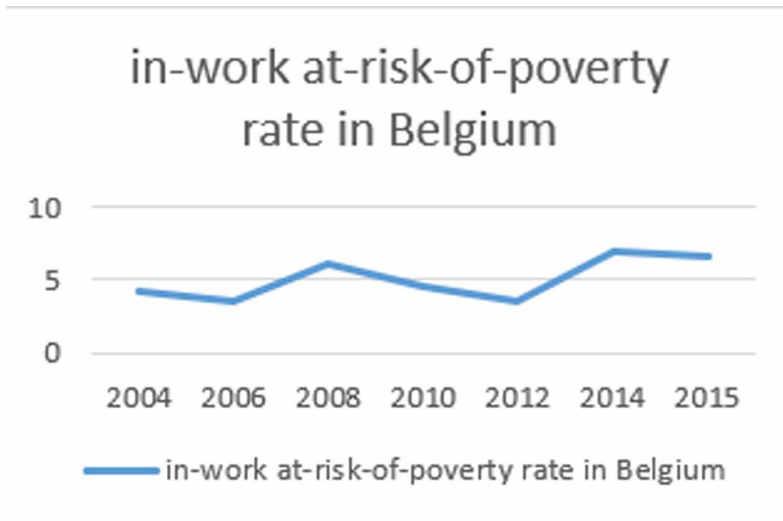


Figure 2. In-work, at-risk of poverty rate in Belgium. Sources: Eurostat-In-work at-risk-of-poverty rate by age and sex - EU-SILC survey.



becoming working poor than men aged from 18 to 54, which contrasts with the situation of the EU28 (where women show a generally lower risk rate than men in the average EU28 level). In short, there is a clear gendered pattern that emerges concerning age in Belgium: women have a slightly higher risk of poverty in the initial stage of their professional careers and, due to their responsibility for primary care, they tend to quit work when retirement is imminent. Thus, women in Belgium suffer a higher risk of poverty in their professional careers, especially in the early stage of the labor market.

In short, the working poor phenomenon is a potential risk of poverty among (female) workers. Under the coexistence of globalization, precarity in labor markets and the employment-linked social security are facing the challenge. In-work poverty as a “post-industrial phenomenon” (Bonoli, 2007; Marx & Nolan, 2012) is developing in a more individualism (risk) trend with different experiences between men and women by ages, by various lifestyles among various household compositions, employment status, and institutional circumstance. Under the trends of globalization and individualism, the working poor have a high level of precarious risks, and social security is indeed playing a pivotal role in preventing labour poverty. Nevertheless, large-scale research observed that numbers of working poor commonly lacked access to necessary social security, such as mental health facilities and services,

child services from low-income working families, unemployment insurance and so on (McMurray & Kazanjian, 1982; Smith, 1985). This is also true in China that most of low-income workers cannot afford to pay insurance individual's sharing. In this context, the research is dedicated to focus on the aspects of social security protecting workers (i.e., policies related to decommodification).

## **The Possibility of Comparison Between Belgium and China**

Due to two very different societies with respective various reorganization and conceptualization about the working in poverty phenomenon, it seems to be difficult to conduct the cross-national comparison of this observed social fact between Belgium and China. Nevertheless, it is possible to regard a comparative study as “a cross-level analysis (also could be a cross-system or cross-time analysis) where variation within the unit could be explained by characteristics of the unit” (Teune, 1975, p. 196). Explanation in comparative research based on two distinct social systems is possible “if and only if particular social systems observed in time and space are not viewed as finite conjunctions of constituent elements, but rather as residua of theoretical variables” (Teune & Przeworski, 1970, p. 30). In this sense, both two nations have a gender classification; they have families which are protecting networks; have labor markets and governments which have policies related to social inclusion and welfare protection. It is in this four-fold context, with their “unique” characteristics that our comparative analysis of a common issue (Working in poverty) will take place, based on the following four aspects: “most different systems” design, conceptual equivalence, comparative logic, and poverty in workers.

First, the “Most Different Systems” Design (MDSD) was proposed by Teune and Przeworski (1970) with two classical distinct comparative analysis strategies. One is the MDSD, which compares cases that share a certain political outcome, and it considers explanatory factors that are crucial to generating the outcome. The other one is the “Most Similar Systems” Design (MSSD), which seeks to identify key features that are different among similar countries and account for the observed political outcome. MSSD follows an intersystem maximum strategy, whereby common features are controllable for and intersystem differences are explanatory variables. Then, the number of common features is maximal, the number of differences is minimal, and are abstracted as key features (Teune & Przeworski, 1970). By comparison, MDSD provides a cross-systemic strategy, which allows researchers to choose two or more systems that are fundamentally different. It is particularly suitable for the comparative study of a specific outcome that needs to be explained. In other words, if a certain social issue records no significant differences within the system, and it occurs in two distinct systems, system factors do matter and one needs to explain the common issue by looking at the differences between the systems.

In the case of Belgium and China, we adopt the MDSD strategy. The research examines two very different social systems (i.e., Belgium and China) that show multiple forms of women working in poverty. The first is the female working in poverty in full urban transformation. The other is the rural female poverty type in a mixed condition where both agricultural and industrial society simultaneously coexist. The goal of the comparison is to figure out what happened about the observed groups with two very different social systems, to explore the common explanatory patterns leading to the gendered working in poverty trends, and also to properly abstract and name the “unique” factors in explaining the generation of its multiple forms. In this way, our cross-national comparative research tries to explain the gendered trend of working in poverty at the level of distinct social systems.

Second, conceptual equivalence is the central issue for an international comparison, and it deals with how to construct an appropriate definition and indicators that are relevant and measurable. As “concepts are expected to have different meanings in different countries... the first stage is when an equivalent measure of a concept in various countries is necessary” (Przeworski & Teune, 1966, pp. 552–553). Conceptual equivalence refers to “a construct having the same meaning across groups, which is also the first requirement before conducting any comparison” (Harachi et al., 2006, p. 359). To achieve comparability, a shared definition of working in poverty issue must be found. Working in poverty is a multifaceted problem (Danziger & Gottschalk, 1986), resulting from or shaped by multiple factors, and the nature of working poverty may differ across nations. The measured working

poor population may also be very sensitive to the statistical definition adopted, especially when the profile of the working poor groups at the cross-national level are compared.

Third, comparative logic is used to present the social security systems in Belgium and China, and it examines their possible impact on gendered working in poverty. First, the authors track the source of this diversity by introducing the time dimension in the analysis of the social security system. Please do not forget the importance of time-based factors; we consider several critical events in the context of Chinese social security development such as unit welfare, SOE reform, household system, pension reform, etc. The result exhibits two nations that display different configurations of possible factors at their critical moments in a way that helps illustrate the different profiles of cross-national poor female workers. Second, we conduct a detailed investigation of welfare-state benefits focused on the perspective of decommodification in social security programs (i.e., social security is examined in four elements: pension, sickness benefits, unemployment benefits, and family allowance) and include this examination in a multivariate, cross-national analysis of women working in poverty. Third, the authors outline the distinct decommodification process for each set of social security systems in different social structures.

Finally, the focus of the research objective is on the working in poverty phenomenon. The goal of improving citizens' well-being is the same in all nations, but how this goal is pursued varies (Airio, 2008). The measurement and exploration of poverty have become an international concern. However, it may take many decades to develop equivalent and appropriate indicators for wide application (Marelier et al., 2007, pp. 46–53). Focusing on “poverty in workers” also reflects the growing attention of observing the poverty issue in work (among employed people). It also addresses the exploration of potential relationships between “poverty” and “work”, so the “working poor” and “working in poverty” are used interchangeably. The adapted understanding of comparative objective makes the research more applicable and acceptable in the national labor market. Based on this, the research is dedicated to the aspects of social security that protects workers, and some specific policies may impact working in poverty, such as public childcare and eldercare provisions.

## **DECOMMODIFICATION IN SOCIAL SECURITY SYSTEM BETWEEN BELGIUM AND CHINA**

According to Esping-Andersen's (1990) research, four classic types of social security impact on the de-commodified process to workers: universal social security, insurance type, social assistance type, and individual ability to accumulate wealth. The universal social security system contributes more to workers' needs/interests to promote people's relatively high independence on earned income in the labor market. Thereby, its decommodification degree is the highest. Second, insurance type takes an individual's employment status and work performance as the primary standards; thus, only those who participate in economic activities are eligible to enter insurance protection, so the level of decommodification is relatively low. Next, the social-assistance type relies on means testing and retains the low level of benefits for the poor, so the decommodification is lower. Finally, the individual's ability to accumulate wealth depends on the individual's accumulation. The social security payment has been unable to change the family income and welfare level, so it is highly commodified for workers.

The international comparative perspective enables us to examine the varied impacts of above multiple “types/degrees” of decommodification on workers' capacity to face the risks related to employment. Meanwhile, a comparative framework of the social security system (related to the decommodification process) systematically combines the discussions of funding sources, service provisions, the nature of its universality, and the replacement level of social benefits to work earnings, etc. On this basis, we focus on these discussions particularly from four crucial social benefits (pension, sickness, unemployment benefits<sup>2</sup>, and additionally taking account the family allowance), and simultaneously adopts the traditional analytical pattern of decommodification research in social security – to compare specific indicators such as individual's contribution, public expenditures,



Table 3. Type of social security in Belgium and China (2014)

	Pension	Sickness	Unemployment	Family allowance
China	B	BC	B	C
Belgium	BC	B	B	BC

security coverage, and access qualifications to relevant benefits, etc., between Belgium and China. In general, both Belgium social security and China social security are based on the social insurance operation. The difference is that, in terms of family allowance, China relies on the assistance type with tax-financed and means-tested minimum subsistence guarantee, and Belgium has basic family benefits and supplements for a pensioner, a single parent, or a person unemployed who has children (Table 3).

### Pension

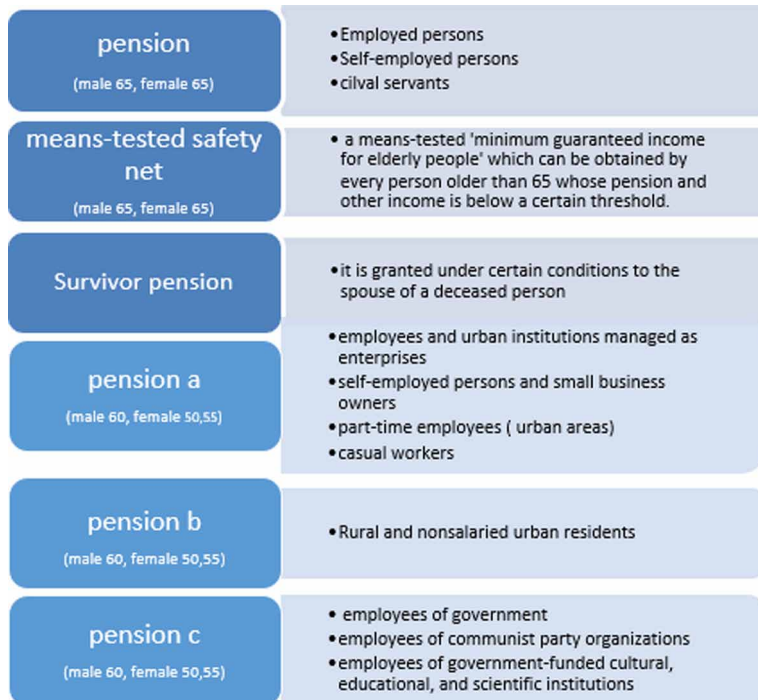
In Belgium, the statutory pension systems are designed with three components (the earnings-related public scheme with a minimum pension, the means-tested safety net-GRAPA [Garantie de Ressources aux Personnes Agées], and the survivor pension), which belong to Type B and C in Esping-Andersen's classification (Figure 2). The earnings-related pension systems operate with compulsory insurance and have schemes for private-sector workers, self-employed persons, and civil servants. The normal retirement age is 65 for both men and women, and early retirement is possible at 62 with a given minimum career length.

In China, the statutory pension system operates based on pension insurance, which has three types of coverage for different benefit groups (Figure 8) that are generalizable as Type B. Pension A is a basic pension insurance and mandatory for individual employees, self-employed person, part-time employees, and casual workers. Pension B schemes are for rural or non-salaried urban residents; and Pension C: special government-funded, employer-administered systems for civil servants (Figure 9). As for the age of eligibility for pension, the mandatory retirement age in China is 60 for men, 50 for women blue-collar, and 55 for women white collar.

For the source of funds, Belgian statutory pensions are PAYG-system based on career duration and income earned (Figure 3). The contribution rate is 7.5 percent of reference earnings for workers and 8.86 percent of reference earnings for employers (FPS Social security, 2016). By comparison, after 50 years of probe and reform, China's pension system has gone from the PAYG-system to social pooling combined with individual accounts. In Pension A, each month urban employees pay 8 percent of their wages to their mandatory individual accounts, and employers pay 20 percent into the basic pension insurance. For self-employed workers, they need to pay a total of 20 percent of the local average wage for the pension by themselves (12% into the social pool, and 8% into individual account; see Tables 3 and 4). Based on this, the individual's sharing of the pension in China is nearly 28 percent, which is higher than Belgium's and other EU countries. It particularly causes a certain financial burden for low-income or self-employed workers who are encouraged to work harder for earnings. In Pension B, rural and non-salaried urban residents can choose to pay 100 RMB to 2,000 RMB (12 scales) for the pension and get pension benefits calculated on the base of the amount they contributed, which is usually lower than the level of Pension A.

To examine the decommodification of pension systems, the authors adopt four specific indicators: 1) the contribution period, measured as numbers of years of contributions required to qualify for a standard pension; 2) the public pension spending and the individual's share of pension financing; 3) the pension coverage; and 4) the standard pension benefits for a normal worker-the replacement rate.

Figure 3. Coverage of three types of pesions in china (TypeC)



### Retirement Age and Contribution Period

In Belgium, to qualify for a full pension, individuals need to have a contribution record of 45 years at the age of 65. The retirement age is 65 both for men and women, which marks the gender equality in Belgium social security. By comparison, the mandatory retirement age in China is 55 for women and 60 for men. According to current regulation, the period of payment of pension insurance is at least 15 years. This is because when the Chinese government began to build the social security system in the 1990s, many employees were already 40 to 50 years old and had never paid the social insurance premiums before, so for them, it would only be about ten years to retire from setting up the public pension insurance. The government regulated the minimum contribution period for 15 years. Meanwhile, self-employed people and part-time workers are also encouraged to participate during that time.

In comparison to other countries, China has relatively low retirement age. For instance, the mandatory retirement age in the Nordic region is 65-70, in Britain is 65 years, and in the United States is 62 years old. Today, with the increase of life expectancy and the increase of the burden of public

Table 3. The source of pension funds in Belgium

	Insured person	Self-employed person	Employer	Government
Pension	7.5% of reference earnings (old age and survivors). Pensioners and pre-pensioners contribute from 0.5% to 2% of the pension or employment with a company supplement.	Not applicable.	8.86% of reference earnings (old age and survivors)	Annual subsidies

Source: Social security-everything you have always wanted to know. January 2016. Federal Public Service, social security.

Table 4. The source of pension funds in China

		Insured employee	Self-employed person	Employer	Government
Pension A	Basic pension insurance	No	12% of the local average wage per month in the previous year	Up to 20% of payroll, depending on local government regulations.	Central and local governments provide subsidies as needed.
	Mandatory individual account	8% of employee's wage	8% of the local average wage per month in the previous year	No	Central and local governments provide subsidies as needed.
Pension B	Non-contributory pension	No	No	No	The central government provides the total cost (at least 55 yuan a month per insured person) in the central and western regions and 50% of the cost in the eastern region.
	Individual account	A choice of 100 yuan to 2,000 yuan a year according to 12 scales.	A choice of 100 yuan to 2,000 yuan a year according to 12 scales	No	Local governments provide a minimum annual subsidy of 30 yuan to the individual account of each insured person (at least 60 yuan for those who contribute at least 500 yuan).

Source: Regulation on the National Social Security Fund. May 1, 2016.

pension insurance, delaying the retirement age in China has become an inevitable choice. In addition to this overall age difference, it is more worth paying attention to the difference in retirement age between men and women in China (e.g., the normal pension age is 60 for men, 50 for women blue-collar, and 55 for women white-collar). We find two different phenomena. The first is the academics' observation of retirement age across the world (潘锦棠, 2003). There are 165 countries that have pension insurance. Among these countries, China is one of the seven countries that keep women retiring at the age of 50 (the Solomon Islands, China-female workers, Turkey, Kiribati, Swaziland, Kuwait, and Sri Lanka). Meanwhile, nearly 60% of countries set up the same retirement age for both men and women (98 countries). The second phenomenon comes from an Internet investigation of the public reaction to increases in retirement age (中国之声,新闻晚高峰report, 2015). Nearly 80% of Chinese Internet users are not in favor of the male and female retirement age synchronization at the age of 65. Some Internet users think that if the retirement age of women generally extends to 60, women will face more family burdens such as child and elder care. As the only country with a one-child policy, young generations must look after more elders (4~8) in one family. Thereby, some women think that raising the female retirement age will strengthen the constraint between the family and work. Based on these two cases, no one can clarify the reason that women retire earlier than men in China, and meanwhile, no one can publicly doubt the unequal retirement age by sex. This presupposition of gender disparity in retirement age reflects the gender inequity of both employment rights and pension rights. Women retire five years earlier than men at the same jobs, thereby reducing earnings and pensions. It directly affects women's accumulation of pension benefits over their career relative to men, and indirectly leads to disadvantaged situations in their employment opportunities and career promotions.

The standard of pension benefits closely corresponds to two prerequisites: the actual contribution period that people pay pension insurance and how much they pay per year (100%, 80%, or 70%).

It conveys a message that the precondition for people to get a relatively high standard pension in retirement is to actively commodify their labor in earlier periods of their life. On this basis, the disparity of retirement age by sex in China highlights the links between women's economic dependence through work and a relatively low level of decommodification. That is, women are more likely to have a discontinuous and shorter career than men, which impacts women's relatively lower standards of pension than men after being retired. Thus, the disparity age setting of retirement, to a large extent, ties women closely to an intense commodified process and a dilemma. On one hand, they may be more responsible for family care; on the other hand, they may have no choice but to work harder and longer to get the chance to accumulate the same amount of retirement income as their male counterparts.

### Public Pension Spending and Individual's Sharing

Public pension spending is an indicator that expresses how the state is sharing responsibility for older people who are living after quitting the labor market. Over the past 50 years in Belgium, there has been an obvious decrease in birth rate and increased life expectancy (below 70 years old in 1960 to 80.4 years old in 2014). Similarly, China is also experiencing rapidly aging times with sharply declined the birth rate. Compared with the two nations, the common phenomenon is that both countries are experiencing an increasing old-age-dependency ratio, which has already created an imbalance between contribution and expenditure, thus leading the financial stress. Differently, Belgium's expenditure on public pensions (including pre-pension and disability allowances) shared certain and steady growing proportions of GDP from 10.8 percent in 2005 to 12.7 percent in 2015 (Eurostat- Expenditure on pensions, 2015), which shares a moderate spending level across the EU level and is relatively higher than the average OECD (relative to the average public pension spending in OECD is 8.4%) (OECD, 2015). In China, compared no matter to Belgium or OECD, Chinese central and local governments provide subsidies as needed in a pension, contributing 4.13 percent of GDP spending to the public pension with quite a limited extent (郑秉文, 2016), which is well below the ratio in Belgium and even average OECD.

By observing the above differences, we can figure out the attitude for a state to the meanings of older people that how they value people who are retired from economic activities. Both Belgium and China have a market-based economy in which social security is usually reformed surround it. Particularly China is facing a problem of both high individual sharing and low public pension spending, and this is the outcome of pension reform following the economic reform.

Historically, China's pension system started in early 1951, and its development can be summarized into four stages. The first stage of establishment was based on pension insurance (1951-1965). During that period, the main work for the government was to establish a unified national pension insurance system and move gradually toward standardization and institutionalization. The second stage of pension insurance caused havoc (1966-1976). Because of China's Cultural Revolution, the related burden of pension financing meant that they were all transferred to enterprises and social insurance became enterprise insurance; the normal retirement system was interrupted. In the third stage of pension system recovery and adjustment, after ten years of chaos, the government took a gradual approach to adjust the pension insurance back to the normal retirement system by adjusting the calculation method. The fourth stage of pension innovation and reform (1993-present) established a two-tier pension system, consisting of a basic pension and a mandatory employee contribution to a second-tier plan. Nowadays, central and local governments transfer the financial responsibility to the market (enterprise) since the economic reform (Deng Xiaoping leader guided to develop market-based economy, 1987). Employers must pay 20 percent of the public pension, and employees must pay 8 percent of gross insured earnings. The market transfers the responsibility to the individual, so the 20 percent of the public pension that enterprises should pay would always reflect as the wage of employees. Thereby, the problem is that the mandatory contribution rates for employers and employees are high across the world (even higher than nearly 16.36 percent of individuals sharing in Belgium). This is especially true for poor female workers who are mostly self-employed or in small/private

enterprises and face the economic burden to contribute pension fees. Indeed, it is difficult for poor female workers to contribute and even more difficult for a single working mother.

## Pension Coverage

In Belgium, the coverage of the public pension system (first pillar) has reached 99 percent. In comparison, China has developed the basic pension system with a relatively high pension coverage of 90 percent<sup>3</sup>. Nevertheless, China has a large population base, so up to 100 million people have not participated in the pension system yet. Among this uninsured population, there are mainly two working groups that are hardly coverable in the existing pension system. One is the flexible employees in part-time, flexible or nonstandard jobs. Since the 2000s, the rapid development of the Internet economy in China has created large numbers of jobs with flexible employment forms, like couriers, shopkeepers of online stores, private drivers in car-hiring online, etc. The other is the migrant workers (rural peasant workers) working in small and medium-sized enterprises with relatively low income. Under the impact of globalization and industrialization, these two working groups are the best cases reflecting that scores of workers have already flowed out from traditional jobs with a safety net and have been involved in precarious trends in the labor market. Due to institutional or economic reasons, most of them are unable or unwilling to join the public pension. For instance, the household registration system limits rural migrant workers' access to Pension A. In short, they suffer a relatively high risk of being in poor conditions given the uncertainty and unsecured employment status, which belongs to the defined working poor in China.

Moreover, pension coverage has greater diversity within various sectors in the labor market. The state-owned enterprise has a basic 100 percent coverage. The coverage rate of urban collective-owned enterprises is 75.39 percent, but other economic type enterprises have only 17 percent of the pension coverage rate. Large numbers of low-income people are uninsured. There are still a lot of foreign investment enterprises and private enterprises that do not participate. Poor female workers have difficulty working in the former two types of enterprises and it is easier for them to be employed in the latter two types of enterprises that have a big risk of not having a pension at all.

## Pension Replacement Rate

The net replacement rate for pension is an important indicator for measuring the living standards of retirees. According to the OECD average (63.2 percent in 2015), Belgium has a moderate net replacement rate for pension both for men and women (60.9 percent in 2015) and has a rapid development of pension today (OECD, 2015). This replacement rate is almost equal to the official EU poverty threshold (i.e., 60 percent of median income), which can help elders to avoid dropping suddenly after retirement. Otherwise, the replacement rates show few differences within pension schemes. In general, the replacement rate for wage earners and the self-employed is 75 percent of the reference wage for the head of a household with a dependent spouse and 60 percent in all other cases. For civil servants, the maximum replacement rate is nearly 75 percent of the reference wage, which does not depend on family situations (European Commission, 2009).

By comparison, according to Article 44 in the Law of the constitution of the people's republic of China ("The state applies the system of retirement for workers and staff of enterprises and institutions and functionaries of organs of the state according to law. The livelihood of retired personnel is ensured by the state and society"), China has a universal pension system that aims to enlarge pension coverage and maintain a relatively high replacement rate for a pension. Nevertheless, the average pension replacement rate is experiencing a dangerous decline, which has dropped from nearly 70.79 percent in 1997 to nearly 40 percent currently<sup>4</sup>. More specifically, the actual replacement rates currently remain significant differences by occupations and regions. Some scholars have calculated the net replacement rate of the pension in China, the rate in government organizations and institutions is high to 90 percent, for male workers in the private sector is 69.8 percent, and for female workers is 48.1 percent. The replacement rate of new rural social pension insurance is the lowest, only 19.4 percent (

王亚柯, 王宾, 韩冰洁, & 高云, 2013). That is, the gaps in pension benefits among different working groups and different regions are wide. The security level is relatively higher for public institutions, moderate for enterprise workers, and striking low for rural workers.

Otherwise, within three types of pension systems in China, the replacement rate of public unities and government agencies is relatively high while with zero individual's sharing until 2015 (since 2015, the Pension C system has been in the reform process, which regulated that workers in the state organ or public institutions also have to pay 8 percent into their new created individual accounts<sup>5</sup>), which means that individuals in Pensions A and B had always paid pension fees partially for Pension C. according to the report of Statistical Bulletin of Human Resources and Social Security (2016), China's public unities (institutions) has 30 million people, and the numbers in government agencies have reached 7.167 million people at the end of 2015. On this basis, the employer-administered system (Pension C) covers nearly 38 million people, while poor female workers are less possible working in such a lucky system. Moreover, the average pension benefits for enterprise retirees is 2362 yuan per month in 2016, while the average basic Pension B for rural and urban citizens is below 200 yuan per month. The rural people received only 70 yuan per month, which accounts for 1.8 percent of the general social average wage. The fundamental pension national minimum standards are only 70 yuan per month, and it is difficult to live on 70 yuan when the minimum wage is more than 1000 yuan. The minimum contribution period is 15 years, considering the increased life expectancy, which is difficult to deal with more than 20 years of retirement life. More specifically, the increasingly aging needs are burdening migrant workers nowadays. Even the pension for rural residents covers nearly all the elders in rural, but the replacement rate is too low that transfer more pension pressure to the rural-to-urban migrators. Moreover, according to the observation of elders' income resources in China (Table 4), we find that most rural elders still rely on their children with quite limited pension replacement rate (from 11.8% to 73.4%), reflecting that the primary pension responsibility comes from traditional family support pattern. Further, when compared to male and female composition of income sources, female elders' earnings mainly come from family. The replacement rate of the female pension is shapely lower than that for men, and the transfer from other family members for females is high (52.6), which means females are more likely to be independent by traditional family patterns (Tables 5 & 6).

## SICKNESS BENEFITS

### Sickness Benefits in Belgium and China

Among different social benefits, sickness benefits play a relatively important role in the decommodification of working poor; this enables us to see a country's healthcare system responds to workers' demands for relatively universal access to quality healthcare, and against major life risks as well. On this basis, as one of the basic needs of all individuals, sickness benefits would be affordable even for low-income workers, especially those who usually have a relatively high probability of disease.

The Belgium healthcare system sometimes counts as one of Europe's most generous healthcare system, ranking 4th in the Euro Health Consumer Index in 2016 (Björnberg, A. 2017). Funded by compulsory Belgian health insurance and partially by social security contributions, this healthcare system for sickness and maternity belongs to Type B (health insurance), which covers employed persons who are members of a mutual benefits society or an auxiliary sickness and disability insurance fund (self-employed persons are also entitled to the system). Within this mandatory health insurance, almost every resident is obliged to register and contribute to a health insurance fund (*mutuelle*) for medical benefits. In general, the individual's contribution accounts for 7.35% of their gross salary (3.55% for individuals and 3.8% for employers, and self-employed people pay the full 7.35%) through social security payments.

Table 5. Income resources of elder in China (2000) (person %)

Major income resources (%)	55-59	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-99	100+
Total	100	100	100	100	100	100	100	100	100	100
Labor	<b>74.6</b>	<b>65.7</b>	<b>48.1</b>	<b>34.6</b>	<b>10.1</b>	<b>4.0</b>	<b>2.4</b>	<b>2.1</b>	<b>6.6</b>	<b>6.6</b>
Pension	10.0	15.0	23.3	26.6	25.1	22.3	18.4	14.9	11.6	7.2
Transfer from other family members	<b>11.8</b>	<b>15.6</b>	<b>24.3</b>	<b>35.1</b>	<b>57.0</b>	<b>65.5</b>	<b>70.7</b>	<b>73.9</b>	<b>72.4</b>	<b>73.4</b>
Lowest security	1.1	1.4	2.2	3.5	5.4	6.0	6.2	6.8	7.0	10.0
Property income	0.7	0.7	0.5	0.1	0.3	0.2	0.2	0.2	0.2	0.2
others	1.8	1.6	1.6	1.1	2.1	2.0	2.1	2.1	2.2	2.6

Source: own calculation according to the National population census in 2010.

Table 6. Composition of income sources of Chinese elderly by gender in 2010

Major income resources (%)	Total	Male	Female
Total	100	100	100
Labor	<b>29.1</b>	<b>36.6</b>	<b>21.9</b>
Pension	<b>24.1</b>	<b>28.9</b>	<b>19.6</b>
Transfer from other family members	40.7	28.2	52.6
Lowest security	3.9	4.1	3.7
Property income	0.4	0.4	0.3
others	1.8	1.8	1.9

Source: Calculation based on the National population Census in 2010.

The healthcare system in China is mainly based on medical insurance (three types), and the newly established urban and rural medical assistance system has been added, which can be generalized as B and C (basic medical insurance and social assistance type). Insurance A (compulsory) is the basic medical insurance system for urban employees, which was officially established in 1998 as Insurance B (voluntary). The basic medical insurance system for rural and no salaried urban residents, which was entitled in 2003 for rural residents and in 2007 in urban cities. Insurance C (compulsory) is the medical insurance system for civil servants, which has stepped into the reformed process of transition from free medical service program to social medical insurance since 2010 (Tables 7 and 8).

Like the pension system, China's basic medical insurance system also operates with a combination of social pooling and personal accounts. In insurance A, the individual's contribution is around 8 percent of the total amount of wages (2% for individuals, 6% for employers, and 8% for self-employed). The premium paid by the employer is used to set up a pooling fund, and some of it is transferred into a personal account. The social pooling fund and individual accounts function independently in terms of usage and accounting, which also vary by region. The individual's contribution is also included in a personal account. On this basis, the pooling fund is mainly used to pay the costs of hospitalization and some of the outpatient treatment of chronic diseases; and personal accounts are mainly used to pay for general outpatient expenses. Since 2010, the Pension C system has operated in the process of reform from free medical service into Pension A. In other words, before 2010 the funding of insurance c mainly came from the budget appropriations of the state and local governments without individual's

Table 7. The source of health insurance fund in Belgium

	Insured person	Self-employed person	Employer	Government
Insurance	3.55% of reference earnings	The full 7.35% of gross salary	3.8% of reference earnings	Subsidies; earmarked taxes and surcharges.

Source: FPS Social security, 2016.

contribution, while nowadays civil servants also must contribute the same ratio as workers in Pension A (2% of wages), and local government finance contributes 6% of staff total wages. Otherwise, supported by central and local governments' finances as well as a social donation, the urban and rural medical assistance system is set up in 2009 to offer limited minimum security of healthcare specifically for low-income people or other vulnerable groups who cannot afford the medical care.

### Differentiated Decommodification in Sickness Benefits Systems

The authors focus on four indicators to examine the decommodification process in sickness benefits: reimbursement, individual's contribution, public healthcare expenditure, and coverage. In short, the major characteristics of Belgian health insurance are high insurance coverage and a relatively high reimbursement rate. Virtually the entire Belgian population is covered by healthcare insurance. In China, public medical insurance features the universal coverage in an obvious fragmented trend and relatively low compensation rate specifically for the working poor (e.g., migration, low-income workers).

As for sickness benefits, patients generally pay fees to doctors and then are reimbursed for part of the cost. Even though the amount of reimbursement varies in correspondence with the type of treatment and individual circumstances. Most people can claim up to 50%-75% of the cost for a general doctor's consultation or minor treatment. By comparison, China's public medical insurance in principle includes all Chinese citizens with an official record 96.5% in 2016 (China medical and health development report 2016, 2016), yet there are still people who are insured to a quite limited level or even remain uninsured. Indeed, it is not a comprehensive system in which three types have segmented people through unbalanced and segmented access to the levels of sickness benefits guarantee.

Table 8. The source of medical insurance fund in China

	Insured person	Self-employed person	Employer	Government
Insurance a (employees)	2% of an individual's gross wages to the individual account <sup>6</sup>	10% of gross earnings (local government may adjust contribution rates according to local conditions)	6% of total payroll <sup>7</sup>	None; subsidizes administrative costs.
Insurance b (rural and non-salaried urban residents)	An average annual flat-rate contribution of 90 yuan	An average annual flat-rate contribution of 90 yuan.	Not applicable	An annual matching contribution (combined central and local governments) of 360 yuan per person.
Insurance c (civil servants)	None (before 2014); Now-2% of gross wage		6% of total patrol	Central and local governments provide tax concessions and subsidies for administrative costs; they finance also complimentary medical insurance systems for civil servants.



Within the medical insurance system, Insurance A and B function independently, differing in aspects related to financing, individual's contribution, compensation level, and expansion. According to the data from the Ministry of Human Resources, the actual compensation level for the hospitalization expenses of urban workers (Type A) in 2016 reached 72.2%, while was 56.3% for urban and rural residents (Type B), which shows a large gap between the two systems. More specifically, sickness benefits in Medical Insurance B (for rural and no salaried urban residents) have three levels reimbursement for three levels of hospitals: 60% for the primary hospital (basic), 55%-60% for the secondary hospital (middle), and 50%-55% for tertiary hospitals (best). While the benefits of medical insurance a (for workers) is high: 90%-97% for the primary hospital (basic), 87%-97% for the secondary hospital, and 85%-95% for the tertiary hospitals. Under this dual-division of medical insurance, the benefits standards show great differences between employees and non-salaried citizens. Within regions, for the hospitalized patient in Hebei province, for example, the reimbursement of village hospital is between 85%-95%, county hospital is between 70%-82%, the reimbursement of city hospital is between 60%-65%, the provincial hospital is between 50%-55%, and tertiary-level hospital (best) is between 40%-45%.

Among the working poor, the increasing appearance of rural migrant workers intensifies this contradiction. Even though they work in cities, while most of them participated in Pension B according to the rural registration status with relatively low secured level and limited access to vary sickness benefits. Especially for peasant workers migrating across the province, it is difficult to get medical reimbursement in the workplace. Thereby, in 2017, only 17% of migrant workers participate Pension A, the others, especially with vulnerable working conditions, are at risk of falling through the cracks of China's public medical insurance, suffering the poor conditions of being insured with low health security. Therefore, access to a higher healthcare level for migrations is closely linked to their saving. In principle, most of them choose to work harder and longer (meanwhile followed by a continually commodified process) if they want to improve the level of healthcare. Therefore, among these examples, inequality for medical insurance degrees and differs for the medical benefits between urban and rural, between employment and unemployment, and among the areas of different economic situations are unfairly different. It is not easy to conclude that such inequality means unfairness, because the individual's share of insurance is also different. The individual's share of Insurance C (insurance for rural residents) is lowly to 90 RMB, and the individual's share of Insurance B (for workers) is 2% of wages for employees and 6%-7% of wages for employers.

As for the healthcare expenditure, under both the relatively moderate individual's contribution and generous benefits standards, the provision of health services requires increased funding that today Belgium spends a notable expenditure with a medium level across the EU countries, which represents around 10.4% of GDP in 2016 (OECD Stat, 2017). Nevertheless, due to the increasing rise of expenditure furthermore, Belgium faces the challenge of maintaining both cost containment and the existing level of sickness benefits. By comparison, relatively low expenditure on medical insurance may also a problem that shows a low interventional power of the state, thus has a less-than-ideal influence on people's access to service. In China, the government has maintained its level of funding for public health while with a relatively limited 5% of GDP.

Even though China has set up the medical assistance system, due to its quite limited compensation levels and secured programs, the issue of "difficulty and expensive medical service" is still severe in the Chinese people's livelihood, particularly among rural residents. The assistance system has set up the deductible line of expenses, which means the compensation is possible only when the expense has exceeded this line. The deductible line is relatively high for the poor (who usually do not exceed for common disease), and patients must first pay for the service before requesting a reimbursement, which thereby leads them to voluntarily give up their reimbursement rights if they can afford to pay for services. Behind both the insufficient compensation and limited public expenditure, in addition to the rapidly rising medical charges (has indeed exceeded the extent of farmers' income increase), the principle of China's public medical insurance currently remains at the level of "多缴多得,少

缴少得” (more pay for more benefits, less pay for fewer benefits), which may discriminate against lower-income groups. The government is obliged to provide health care for its citizens, as the government claims the concept of “medical and health rights” in 2009: “Everyone will have access to basic medical and health services, and every sick is treated”. Nevertheless, the the strong linkage between the right of health care for an individual and the amount of individual’s sharing (or how much they pay) in current China’s basic medical insurance. Based on the unequal increase between fairness and efficiency in primary distribution of income, this kind of equality of “more pay for equally more benefits, less pay for relatively fewer benefits” in the level of second distribution might in-depth widening the gap between rich and poor. For poor female workers, and for a high-income worker, the pay level is different and correspondently the compensation level is also different, which may cause unfair situations that highlight the risk of poverty among working poor when suffering major sickness. Therefore, at least for working poor, the sickness benefits in both China’s medical insurance and assistance system are still hardly reaching a sufficient level. Both two nations face the challenge of expenditure on sickness benefits. For Belgium, it is about how to give funds a more active role in health insurance thus better improving the existing secured level. For China, it is about how to increase and balance the public expenditure on medical insurance. After all, most Chinese poor female workers are rural farmers or migrant workers, who suffer a higher risk of falling than the public medical insurance should give basic support.

## Unemployment

China has unemployment insurance, which belongs to Type B (insurance). It covers all employees of urban enterprises and institutions except self-employed persons. The maximum duration of unemployment insurance benefits for unemployed workers is 24 months. In Belgium, the security for unemployed belongs to Type B. It covers employed persons, unemployed persons, first-time job seekers, certain categories of students, and workers with disabilities, except self-employed persons (Table 8 and 9). For some categories of people, the unemployment benefits are unlimited in time, thereby Belgium is the only European country where unemployment benefits can be granted for life (Deloitte, 2017).

The unemployment insurance in China features a low replacement rate (10%-20%) and a relatively low coverage rate, which is based on the following two reasons. First, the unemployment benefits system in China operates based on the social insurance that everyone contributes it and thus having the social rights to get benefits (when he/she is unemployed). Nevertheless, the providing of unemployment benefits tends to process in a way of social assistance. To encourage employed persons to positively find a new job, the unemployment benefits standard remains quite limited level. Indeed, the national average per capita unemployment insurance level was 10514 yuan/month in 2016, which shows quite a low replacement rate to the average income standards in most regions of China. According to the report of the social security inquiry network, the lowest average income is 5332 yuan/month in Changchun city, and the highest is 9240 yuan/month in Beijing. Second, the application for unemployment benefits is cumbersome and takes a long time. It does not mean the complication and preciseness of unemployment insurance regulations, which refers to the process in the actual operation with limited quotas, complicated eligibility requirements and a lot of confusing paperwork. In general, if the employee wants to receive the unemployment benefits, firstly the employer removes the labor contract and goes to the social security center to deal with the employee’s unemployment procedures. Then, the social security center will start to issue the unemployment registration notice. After that, the employee can go to the social security department of the registered permanent residence (domicile place) to concretely handle the application. The application documents include the certification of terminating labor relationship (that employer must clarify the involuntary unemployment), identity card, household registration (which means the employer have to apply for benefits in his/her hometown/domicile place), unemployment registration notice, certificate of individual’s contribution to unemployment insurance, application form, etc. The

**Table 9. The source of unemployment insurance fund in China**

China	Insured person	Self-employed person	Employer	Government
Unemployment insurance	1% of gross earnings	Not applicable	2% of payroll	Provincial regulatory funds and local governments provide subsidies to unemployment funds as required.

whole process seems likely that the employee back to the hometown with the certification of being fired for getting the limited quotas of unemployment benefits, it is much worse than unemployment. Therefore, the unemployment insurance remains low benefits standards, and meanwhile, has such a complicated process. On this basis, the virtual coverage rate remains relatively low in China's unemployment benefits as well.

On these premises, the perspective of decommodification, unemployment insurance seems to have a high correlation with a continually commodified process among workers in China, among the working poor. That is, most unemployed persons prefer to return to the labor market as soon as possible because if they are unemployed longer, they will suffer higher risks into falling even with the limited unemployment benefits, let alone most of them do not receive the benefits due to above three reasons. Thus, compared to Belgium, the unemployment insurance in China de facto potentially links workers and the labor market together, which is based on the already mentioned assumption about work that can helpfully avoid poverty. Nevertheless, the increasing numbers of low jobs absorb lots of workers in the ranks of the unemployed, which largely possibly realizes the transitions from unemployed to the working poor.

In Europe, continental countries generally have a generous unemployment insurance system, and Belgium is no exception that appears even more highly generous (Stovicek & Turrini, 2012). The unemployment insurance in Belgium features a relatively generous replacement rate, large coverage rate, and long benefits duration. Comparatively, the relatively high standard of unemployment benefits reflects the relatively high degree of decommodification. However, it may also lower the degree of defamiliarization for females. As a Christian dominated domestic welfare regime, the unemployment insurance is not individualized, it is more like “a wage for bringing up for children” (Kremer, 2010). Belgian women are well covered by unemployment insurance, which can indirectly be reflected by the relatively high unemployment level for women across the EU level. The fact is that, due to the derived rights idea, women are given over-meaningful family caring responsibility that can reduce female employment participation.

## **FAMILY BENEFITS**

### **Family Benefits in Belgium and China**

Belgium provides family benefits through the social insurance and the social assistance system; the guaranteed family benefit belongs to Types B and C. The family benefits system operates based on social insurance funds, and it virtually covers children of salaried workers (including unemployed, retired, sick, disabled, or deceased workers); children not covered under any statutory or bilateral system are subject to an income test. The family benefits system is generalizable as various types of family allowances (child benefits) (Table 11). The “guaranteed family benefits” specifically target the person with the dependent child (or his spouse or the person he or she lives together with) and with earnings less than 4,062.82 EUR per quarter. It breaks the link between the work of the breadwinner and entitlement to family benefits (FPS, 2016), which particularly support working poor in a relatively decommodification process to some extent. To accomplish their population and

**Table 10. The source of unemployment insurance fund in Belgium**

Belgium	Insured person	Self-employed person	Employer	Government
Unemployment insurance	0.87% of reference earnings.	Not applicable.	1.46% of reference earnings. In certain cases, an additional 1.6% of reference earnings is paid by employers with more than 10 employees.	Covers any deficit.

Source: FDS (2016). Social security, everything you have always wanted to know.

development strategy, Belgium proposed these family policies to ensuring universal family welfare and to encourage population growth.

In comparison, China has a tax-financed, means-tested minimum subsistence guarantee and medical assistance programs (both administered by the local Bureau of Civil Affairs.), which provide benefits to urban and rural families whose income is below a minimum level. On this basis, the family allowance belongs the Type C - assistance. Different from Belgium policy, the Chinese government had proposed a one-child policy from the 1980s to 2015. During this period, a special family allowance was put forward specifically to the family with only one child – a single child award. In general, the parents who received the only child’s parents’ honor card can receive an annual allowance of 120 yuan until the child reaches 18 years old (the allowance may be adjusted depending on different regions). Chinese society has had traditionally a cultural preference for sons, thereby every family continues to have children until they have a boy. In other words, if they have a girl, they will continue to bear another child to get a son. Based on this, the one-child policy has indeed helped lift millions out of poverty, but also have exacerbated the gender imbalance as some families would like to avoid having a girl through abortion or abandon. As a result, according to the national bureau of statistics, nearly 105.2 boys are now born for every 100 girls since 2015, which means that there are 33,660,000 more men than women. Since 2015, the government has relaxed the one-child policy to allow couples to have a second baby, and the single child award would be canceled step by step.

In general, family benefit systems record great differences based on the diversity of Belgium and China’s situations and contexts. Family benefits in Belgium have developed well as an obvious welfare right for all citizens. Through developing a series of family policies at a relatively generous level, Belgium has strengthened the support for the family in terms of its economic function and anti-risk capability and highly addressed children’s benefits. In comparison, China has a huge population and relatively limited resources. The family policy is still in the exploration stage, and thereby the family benefits are primarily provided by the family system, which still belongs to a so-called residual type with limited coverage and guarantee level.

### **China’s Specific Family Benefits System**

China’s social benefits system belongs to means-tested social assistance for several reasons. First, compared to the occidental society, marital status and family compositions in China remains relatively stable. Although divorce has increased in the recent decade, the rate remains low and the big family network still exists. On this basis, family remains the main protection role that family relatives always undertake the primary family benefits. Second, China is a society with different social circles based on the human relationship (费孝通, 韩格理, & 王政, 2012) and the institutional arrangement would adapt to the diversity of regional cultural environments. Adopting the social assistance type for family benefits is to adapt well to the local culture step by step.

On these two premises, the social security system functions quite limited under such a Chinese ethical society, like Tonnies described “Gemeinschaft”, in which law belongs to morality. Besides the

Table 11. Family allowances in Brussels and Wallonia (child benefits)

Belgium	
Ordinary family allowance	€93,93 a month is paid for the first child; €173,80 for the second child; €259,49 for the third and each subsequent child. Each orphan receives €360,83 a month.
Increased family allowances	€47,81 a month is paid for the first child of a pensioner, a single parent, or a person unemployed for longer than six months, and €98.88 is paid for the first child of a worker with a disability; €29,64 for the second child of a pensioner, a single parent, a person unemployed for longer than six months, or a worker with a disability; €23,90 for the third and each subsequent child of a pensioner, a person unemployed for longer than six months, or a worker with a disability.
Age supplement	For a healthy first child not entitled to the social supplement, the monthly benefit is €16,36 if aged 6 to 11; €24,92 if aged 12 to 17; €28,72 if aged 18 to 24. For other children or any sick child, the monthly benefit is €32,63 if aged 6 to 11; €49,86 if aged 12 to 17; €63,40 if aged 18 to 24.
Annual supplement	An annual supplement of €16,36 is paid in August for children at least 6 years' old (and 32,63 for other children); €24,92 for one child and 49,86 for other children at least 12 years' old; €28,72 for one child and 63,40 for other children at least 18 years' old.
Sick or disabled child supplement	Supplements are awarded according to the impact of the illness on the physical and mental capacity of the child, and the implications for the child's next of kin. The monthly supplement varies from €82,37 to €549,12.
Maternity allowance and an adoption bonus	€1272,52 is paid for the first birth (or each child for multiple births); €957,42 for the second and each subsequent birth. €1272,52 is paid for all the adopted children.

Source: FAMIFED. Agence fédérale pour les allocations familiales. Families. <https://bruxelles.famifed.be/fr>

development of the market economy, families who live such a world of *gemeinschaft*, where family benefits are personal, organic and provided by affections. Compared to Belgium's family provisions established by legal contracts in solidarity spirit, the family provisions in China are founded but based on the Chinese solidarity with trust in the acquaintance society, which is the most reliable foundation. Thus, the solidarity in China's family benefits system does not address the social contract; it develops from the morality that people revere without thinking/hesitation. This is not one of the features in a modern society in which the agricultural society is transferred to industrial society followed by the change from acquaintances society to strangers' society. But even in a strangers' society, the law cannot entirely replace the trust. Because precariousness becomes a sort of "normality" in modern society, in most occasions the coping strategy may always lag the problems, thereby even a perfect security system cannot understand all vulnerabilities of people who suffer risks in multiple forms. The social circle (e.g., kinsfolks, friends, neighbors, etc.) can read it sensitively and respond to it flexibly. This support does not only concern the economic guarantee but also highlights the emotional support (in fact, the cases of suicide due to lacking emotional support are more than cases of suicide due to the pure lack of economic support). For most people, the economic poor may be relative, but the lack of relationship support may be deadly. Then, to combine the modernization and traditions (as mentioned in Introduction), the Chinese government is developing policies aimed at "striving for a harmonious society", which addresses the importance of the socialism culture with Chinese characteristics in developing the social security system. That is, in such a harmonious society, the morality-based trust in human relationships is as same important as the law or sometimes is more important. For instance, the traditional filial piety culture is more convening (and more powerful) for family members who provide family support than the law. Such actions are not relevant to social rights; they are produced by nature without thinking, or are for feeling at peace in mind for family benefits providers. Therefore, this is the specific type and basic logic of the family benefits system in China. Compared to the booming of single working mothers among Belgian poor female workers, most Chinese poor female workers are rural women, they have land to secure themselves, or at least

they have a relatively stable family protection network in the local society. However, without exception, China involves in globalization with rapid changes of both economy and society, following the clash between individualism and collectivism, the existing family benefits system in Chinese “Gemeinschaft” gradually reveals its deficiency everywhere.

## **WORKING POOR IN DECOMMODIFICATION**

### **Belgium: Working Poor in a Universal Decommodification**

In Belgium, pension, sickness, and unemployment benefits are provided based on social insurance. In general, the decommodification for Belgian workers is generally higher and relatively fair, which belongs to the medium degree group according to the analyses by Esping-Andersen.

In Belgium, employment-linked social insurance protects those most stable (Crettaz, 2010). They have a very strong collective bargaining for minimum wage setting, protection of laborers’ rights (in China’s context, a strong trade union has not been formed yet). The level of social transfers is generous, especially the existing pension. Nevertheless, the decommodification process in the social security system does not change with time, which is recognized in a universal path without making a specific difference in terms of complicated situations by sex, household compositions, etc. More specifically, without a precise target to the working poor, it may lead to an uncertainty of the impact of social security on the groups who most need support. For instance, as for both the single breadwinner and main caregivers, obviously, the single working mothers’ needs for a relatively higher decommodification level to well balance family and career - not only single mothers can often take care of family, but they also do not have to worry about the risk of falling through the changes in employment. However, due to the lack of specific provisions for childcare and family-work balance in family policies, it seems unfair to locate single working mothers in the same decommodification process with some other workers without specific differentiation. A perfect balance cannot be often reached, but Belgium attempts to do so by considering family composition in operations of existing social insurance.

In the late 19th century, the high risk of poverty among workers became the central source for concern in Europe, including Belgium. High growth rates, full-employment and sharp increases in real wages were the main features of this golden age of welfare capitalism-so called “good old days”, which is mainly due to a stunning productivity growth after World War II. Another major feature of this era was the very significant development of the welfare state in industrialized countries. From 1960 to 1973, average real manufacturing wages in Europe rose by 76 percent” (Esping-Andersen, 1990). “Mass consumption, growth, and modest unemployment brought middle-class living standards to workers... The other side was that families were stable and the economic dynamic. Even low-skilled workers could count on well-paid and secure jobs” (Esping-Andersen, 1999). Massive changes have occurred since the first oil shock (1973). Economic growth rates decreased with the increasing trends in unemployment and “wages ... stopped growing at the kinds of rates that prevailed in the Golden Age”.

Belgium is experiencing similar changes in process of modernization with a flexible, precarious tendency, thus increasing the possible suffering among the working poor. The booming of single working mothers in the labor market is facing the relatively high risk of poverty, and this requires specific attention in the social security system to provide more targeted provisions.

### **China: Working Poor in a Selected Decommodification**

The working in poverty issue can be thought of as a metaphor for one of the fissions of social problems at the “grass-roots” level (i.e., the issue of the most basic level of social security) in the social security system in Belgium. In comparison, working poverty in China presents a different condition, which happens in the cracks of the social security system with a selected decommodification process. In this process, poor female workers in China notably feature both the fragmented flow by regional spaces

and the lower probability of mobility between socioeconomic statuses. An in-depth understanding of China's social security can help explain the features of poor female workers and the specific decommodification path.

### **Working Poor Living in The Cracks of The social security System**

From a holistic point of view, the working poor in China are those who fell between the cracks of social security reform. The word "cracks" describes the people in China's social security system who were insured but with limited access/level" that is not completely equivalent to so-called the majority in the labor market. These working poor appear during the replacement of old regulations by new ones in social security reform. Regardless of how difficult it may be to cover this minority and how special of their characteristics, the working poor is the bottom-line that social security should focus on.

Today, China's social security system has a rapid development and the good ambition for stepping into a new stage of establishing (适度普惠型社会福利)an appropriate universal-type social welfare system (戴建兵 & 曹艳春, 2012; 李迎生, 2014). The proposition of appropriate is closely correspondent with both national and local current socio-economic developments, and the realization of the "universal" coverage is based on the huge population and complicated geographic diversity. The appropriate universal type is looking for both the integration of the exception towards a modern welfare state and the respect towards Chinese traditional society (e.g., a combination of equality and hierarchy, social mobility and inhabiting a region as an ethnic group, legality and etiquette and custom, etc.). It flexibly highlights the reason for persisting traditions, as this continued existence of a traditional native culture exactly supports a social diversity in many regions of the world. Traditional Chinese society was one in which people "不患寡而患不均", which means people did "not worry about poverty, but rather about the uneven distribution of wealth." On this basis, the basic principle of social equality had been admired by all the dynasties in Chinese history and has become the core of Chinese modern society construction today as well. By focusing on how to evenly distribute social resources to most citizens, we see the social security system de facto reflects the universality of the Chinese style in which poor (or working poor) can also be theoretically equal access to the social benefits and integrated to the social security network equitably.

Nevertheless, it is worth noting that the current Chinese social security system is fragmented and operates with segmented trends in the division of rural-urban dual social structure, in certain employment status, or even between men and women in the labor market. This fragmentation can lead to loopholes in the system. These loopholes precisely refer to cracks that happen in the development of this social security over time and space. Within it, working poor are at the risk of failing exactly through the cracks of this segmented social security, who are insured with limited (or low) security level, as migration in venerable working conditions, or a female farmer left in the rural area, or a low educated worker in low jobs. Then, to get full access to the system, the working poor makes efforts to work hard in a continually commodified process. Thus, the female working poor inevitably suffer the low de-commodification process in cracks of the existing system, which is observable in the case of China.

### **Selected Decommodification in The Classified Social Security Network**

The main insurance program in China's social security presents a series of periodic features with potential effects on the working poor. Through artificially forming a differentiated social security framework embedded into rural-urban dual economic structure, China has experienced rapid economic development for nearly 30 years. This growth is the result of a set of incentive policies for employment in urban areas, and China has also correspondently guaranteed the living standards of workers who are closely attached to the market. Considering the limited economic foundation in the early period, it seems to be the best option that the Chinese government advanced security programs step by step from pilots to the whole. In general, security insurance for employees in enterprises were established firstly and then for non-salaried residents, social insurance in urban was established firstly and then in

the rural region, which put Chinese social development into an unbalanced trap that the social benefits are selective and corresponding services are distributed in a classified logic. On this premise, the social security system in China has been developing based on a selected decommodification in welfare-differentiated trends. That is, in the system, urban employees in medium-high states of employment hierarchy (e.g., civil servants, high-income workers, etc.) show medium or high decommodification process. Meanwhile, the system has a weaker impact on decommodification in certain groups (e.g., the working poor).

Indeed, observing the cracks of the fragmented dual divided social security and those working in poverty in China is still a rural issue that is quite different from Belgium. As most of the working poor, farmers have come out of the rural society and into the industrial society, while subject to far-reaching historical constraints, this process faces the real dilemma that it is in a hard and differentiated way for them to involve in the modernity, and it is impossible to back to the traditional security net. Thereby, the working poor can only raise their security levels by paying more in a continually commodified “fighting story/history”. More specifically, particularly for poor female workers in China, on the one side, majority of rural women do enjoy the equal opportunities of self-development through participating the market and being secured in the social insurance system; on the other side, they also face a process of marginalization by systems of both market and social security. Under this classified social security system and limited access to family benefits, the poor female Chinese workers still pay for the main benefits and provide for family care and domestic work with increased time and energy; thus, they experience a hard and heavy process of decommodification.

## **DISCUSSION: TWO PATTERNS OF THE SELECTED DECOMMODIFICATION TO POOR FEMALE WORKERS**

Through the comparative view of social constructions, the difference between Western society and Chinese society in the decommodification process of social security is better understandable. Western society is the generalized equal decommodification process based on safeguarding basic human rights, and Chinese society is the differentiated selective decommodification process based on maintaining stable social statuses in social relationships. The difference between these two sets of decommodification processes also impacts the gendered trends in the working poor. In China, poor female workers are challenged by the fragmented flow of regional space and the lower likelihood of mobility between socioeconomic statuses. Here, the authors analyze China’s selected decommodification of poor female workers’ feature. In early 2020, China put forward the goal of an ideal society to establish a social insurance institution to protect all labor’s basic rights. The goal has been realized from the institutional system dimension by the state. On this basis, through the “Chinese Specificity” in the social security, it represents a model to rethink how the decommodification process affects poor female workers. This is demonstrated by two patterns: in the gender-blind zone and strong dependency on two access conditions.

### **Gender Dimension in The Vacuum Zone of The China Social Security Reform**

At the system level, China has realized the social security transition of labor insurance to social insurance with security for all citizens. However, in the “Chinese specificity”, there exists the “vacuum zone” where the cracks of the social security system are produced for women.

Throughout the history of China’s social security development, the basic unit of the security object is always a nuclear family. That is, the consideration of balancing the social relationships in the social security expands from maintaining family relations (to a delicate extent). It affects the target by a selected path “亲疏有别” (there is a difference between “to close” and “to distant” in the relationship) in the social security, which becomes a basic impediment of the gender equity. On this premise, the assumption is that social security in China adopts a differentiated decommodification process that creates a blind zone where women’s voices have remained mute for a long period. On



the one hand, in the social security system, whether in terms of pension, sickness, unemployment or family benefits, the main secured group is the workers. On the other hand, to develop the funding operation pattern in the long-term, the integration of the social pool planning and a personal account is needed, so the social security system focuses on promoting the coverage rate to people who have a regular income. Based on the characteristics of the relatively high individual contributions and limited government's public sharing, workers become the source of most insurance funds, who have the payment ability to establish personal accounts. Thereby, based on a generally low-security benefits level, the establishment of the personal account tends to be a classified process in the distribution of social security benefits. Compared with the workers in middle-high levels of the occupation hierarchy, the working poor has a low-security level and thus faces a chronic process of commodification.

At the beginning of the social security foundation, the primary security focus was the workers. Since the 1990s, the economic reform and opening, the security coverage expanded to unemployment people and urban non-salaried citizens. Then, the unemployment insurance and the minimum subsistence guarantee system were launched in succession. When entering the twenty-first century, China has established a series of regulations to target and secure farmers and rural migrant workers. Thereby, the security system has targeted workers, unemployed people, farmers, and rural migrant workers in the reforms, while the gender dimension was rarely considered.

The unequal gender relationship in Chinese social construction has a long history. The Chinese philosophy (Taiji) addresses the harmonious state of balance between (阴) yin and (阳) yang, as the combination of yin and yang gives birth to all lives on Earth. Meanwhile, the traditional ethical system stresses the importance of respecting the hierarchy to avoid the conflict. Order (generational, old and young, men and women, even in social status) is the power of stabilizing a balance among relationships. On these two premises, the hierarchy can coexist in harmony with no conflict in the social relationship, which mainly manifests in the family in which the female refers to Yin and the male as the aspect of Yang. Also, such respect to the order reflects the degree of close and distant among gender relationship, and the family tends to be a mono-system dominated by the same-sex and supplemented by the opposite sex (费孝通, 韩格理, & 王, 2012). In the great Chinese classic novel 《三国演义》 "Romance of the Three Kingdoms", Liubei (a warlord in the late Eastern Han dynasty) made a famous speech in Peach garden (where brotherhood swear taken place) realistically reflects this traditional gender relation in ancient China. He swore to "兄弟如手足, 妻子如衣 - treating brothers as hands and feet while wives as clothes". Until now, the gender distinction was based on idioms of superiors and inferiors, and this still exists in Chinese society.

In rural north China, for instance, the tradition of table rules by which men have the meals on a table, while women and children share another table during the moments of a family reunion still exists. Moreover, the Chinese kinship terminology (appellations) today remain gender-biased and are traditional rules in family relationships. The grandparents call their son's child as "孙子或孙女" (grandson or granddaughter) and call their daughter's child as "外孙或外孙女" with addition prefix "外" (means outsider/external). Men and women are not equal in the private space in which such a relationship can keep order and balance in the hierarchy (e.g., between parent and child, or between mother-in-law and daughter-in-law), thus forming specific domestic disciplines exercised by the (male) head of a household. In this maintained stable and gender-unequaled family structure, women located in a relatively weak and alienated position, as the Chinese old saying goes, "A married daughter like the split water which is no more belongs to the original family (closely) relationship". In general, women are the outsiders in a family relationship (in which the level of closeness is different to men and women). This has promoted women's recognition as the outsider in the labor market. On this basis, the Chinese social network has formed a male-dominated close relationship extending up-and-down and relatively fragile heterosexual relationships. Therefore, whether in private or public spaces, women's stories are absent in Chinese history, or at least, they only have a history of depending on others. So, among this selected path, women play the supporting actors/minor roles in the social security network with a differentiated decommodification in which their variation situations (single

working mother, rural migrant women, young women initially enter labor market) and their specific interests were not fully expressed and appealed.

In the vacuum zone of China's social security, women in most occasions hinder an inequality status, which contains a higher risk of falling into poor conditions. During the SOE reform in the 1990s, many women were given a long period of leaving when they were pregnant, and most of them were laid-off and more difficult to be re-employed because of gender discrimination. Large-scale research and documents described that this was a difficult time because women were gradually located to disadvantage positions in the labor market. Women's employment rate reduced, and they had a higher likelihood of unemployment or worked in low-income jobs. According to the labor market development history in China, each time the economy faced a huge reform and a major policy was put forward, women were always deeply impacted; their living and working conditions highly depended on the political environment. Initially, women were encouraged to participate in economic activities for economic construction in the new foundation of China, but then they were encouraged to stay at home to have a baby during the SOE's reform in the 1990s. So, in the initial foundation of new China, labor security for employees to serve to construct the economy. In the 1970s, social security for unemployment was created to maintain social stability. From the 1990s until today, China's reformed social security expanded its coverage to farmers and rural migrant workers in cities. While women are rarely considered in the design of social security framework, and the poor conditions that happen to some of them when are hidden, the working in poverty rate was invisibly gendered. In short, China has a big population base with huge numbers of people who need to be socially secured, and China did it by establishing a social security system. Although it is difficult to establish a relatively high-security level like Belgium in such a short amount of time, it would have been (and still is) possible to propose a series of regulations and social programs to recognize the rights and needs of women when facing big social changes.

### **Strong Dependency on Two Access Conditions: A Secured Person is Attached to The Defined Status, and The Status Identification is Attached To The Person's Economic Condition**

There are two conditions for full access to the social security system in Belgium and in China. First, one should contribute a certain sharing to social insurance funding. Then, through having a steady income from employment, the person should have a stable payment capacity. Second, one can enter the security system mainly through gaining an identification of defined status. Based on the recognition of security objects, the person can be well targeted for security programs. The second one is relatively obscure and controversial, but can be typically observed in China's social security with a long historical origin. Before the economic reform, almost all members of Chinese society were divided into different social groups according to their status in the registration system of the urban and rural areas (opidan or countrymen), cadre status system (cadres or the masses), and unit system (people in the unit or people out of the unit) and enjoyed different rights in labor insurance based on their status.

From the social dimension perspective, social differentiation reveals the characteristics of this status identification. Since the social security reform, China's social insurance keeps this classified status identification in providing the differentiated social benefits by regions, sex, and employment status. For the working poor, these two conditions are not easy to meet because of their weak attachment to a stable payment (especially among poor female workers in China) and the relatively vague (secured) status identification to the working in poverty issue. The economic condition is the base of the social status recognition, and it is possible to use an individual's employment status as a standard to clearly interpret the person's economic condition.

There is no doubt that only when a person gets established based on finance, that they can get a clear social status recognized by society (such as rich or poor, independence or dependency, and security. For example, Zhang Wanli (2004) from the perspective of industrialization on social structure

change found out the two coexisting propositions regarding the increase of women's social status opportunity and the marginalization of women's social status distribution. Both are verifiable to a certain extent by women's economic status or market positions in contemporary Chinese society. Thus, social security forms a strong attachment relationship structure whereby the second condition de facto highly hinges on the first condition. In other words, accessing social security depends on one's defined status and their status identification crucially depends on their economic condition and employment status.

Then, different from the unemployment and rather than a classical worker with a stable work in the industrial society, the working poor receive a vague status identification primarily based on awkward working conditions and a blurred definition of the risk of poverty in a changing society. Interestingly, this point is observable in the process of a backward country that is in desperate need of rapid development. Indeed, particularly in the experience-depending process of China's social security in which the government highly addresses maintaining the order and stability of the society, recognizing the status of the working poor is likely to break the stable social classification and lead to re-examining the existing established social security. Based on the two conditions, such a social security system with a high attachment to these two conditions make it difficult for the working poor to receive the secured status identification in the process of Chinese social changes.

Social security in China has developed over 66 years, and particularly under the politically up-to-down motivation, it has experienced a compressed styled reform for 40 years in a relatively hidebound grassroots sector that clings to tradition. Compared to the precarious/flexible trends in the development of the Belgian society, stability still marks the main feature of the Chinese society. In the process of social security, both the changeable trends and social traditional coexist; social changes primarily manifest in the adjustment of the economic structure and the resulting population movements in the market, while the bones of society remain stubbornly inert with the fear of change in terms of the social relationship, life patterns (such as marriage, family, etc.), and work patterns.

In China, the social security keeps a strong linkage between social benefits and stable employment, which shows the clear border within employment status (e.g., between employment and unemployment, being employed or self-employed, or within state-own enterprises, public institutions, and private enterprises) in terms of the access, contribution rate, and security standards. Given the limited government's public expenditure, individual contributions can and must supply the social security funds. On this basis, the set-up of the personal account defined contribution system in-depth strengthens the individual's attachment to the first access condition (economic conditions) in social security and stimulates the work incentives for employment. At the same, it weakens the functions of social mutual-aid and risk-sharing. Since losing the function of mutual-help, this strong binding between the person's contribution and the security level may largely cause an intense commodification to ensure having enough funds.

Additionally, working in poverty as a new poverty issue that breaks the security myth of "employment can help to avoid poverty" has not been yet clearly identified. Before gaining the social concerns, it is not easy to change the traditional conception of the relationship between poverty and employment, and it is not enough to shake the strong binding. In this sense, the working poor suffer the risk of falling into limited secured conditions, which occurs in the cracks of the social security system. Furthermore, this strong binding occurs in the observed gender-blind zone through which poor female workers suffer the high possibility of flexible employment and the high risk of falling.

During the initial foundation period of new China, there were 500 million people, but only thousands of people worked in an industry with a stable income, so the social insurance based on individual payment was not realized in China during that period. Then, the initial labor insurance closely tied workers to their work units so the economic benefit of the work unit is good, their welfare benefits will increase. As a result, some small enterprises with bad economic benefit cannot even provide pensions and medical insurance to workers. Based on this, people during that period were proud to find a stable job in state-owned enterprises. Since the 1980s, the method of employment

has changed from the initial unified job distribution by the government to self-voluntary and free competition. During the SOE's reform in the 1990s, large numbers of workers were laid off and lost the former enterprise security; they were left in society as the flexible jobseekers. Then, the demand for establishing social security for them and expanding to urban citizens was urgent and necessary. Against the flexible employment trends, the former labor insurance (which depends on work units to provide security for workers) could not meet the needs and interests of workers in the labor market anymore.

Since the welfare reform, the security principle has changed; the individual, the enterprise, and the government share social insurance funding. Nevertheless, the well-being in social security are still closely linked with workers' work performances and incomes, as they contribute to their social accounts for pensions, medical insurance, and so on. If they pay more, they will receive more pension after retirement and more medical replacement money. Otherwise, the benefits levels among workers, farmers, and unemployed urban citizens are classified; the welfare standards among civil servants, workers in state-owned enterprises and common workers are different. Such differences widened the division between urban and rural, and within employment sectors in the labor market shaped the common ideas that people who hold the jobs lives better than the unemployment, and that urban citizens live better than rural farmers. The fragmentation of regions and the segmentation of the labor market influence deeply to the working choices available to people. Hence, more people in rural areas become migrants to work in urban, developed cities. As a result, graduate students began to prefer to be civil servants or work in state-owned enterprises.

Chinese people highly depend on their work quality and their location in the employment hierarchy, their well-being is still closely linked with work. Before the social security reform, work units provided relatively generous services and burdened welfare secure function as a small society for workers, and people seek the sense of belonging in work units and promoted their living standards by finding a better enterprise. After the economic reform since 1978 and SOE reform in the 1990s, people became more independent from work units and had to choose their job freely. Social security was established and covered all citizens, and even unemployed people were secured. Following the widening cracks in the social security system, the working poor gradually began to identify as a stranger. The level of social security they receive is hard to support them to be independent of the labor market. Thus, in China, people grasp jobs and still regard it as the most security way, especially for young graduate students, for single working parents, rural peasant workers, and second-generation poor, since they lost themselves in the fragmented social security system. They find a sense of security by working; they work harder and harder to contribute more for insurance and looking forward to being fully secured in the future. This is an attitude transition from "if I work harder, I can live better" to "if I pay the insurance on time and more, I can live better". But, the question is: where does the money come from? For most of the working poor, the answer comes from continuous commodification, whether voluntary or not.

The situation of poor female workers in China's social security is like the vivid description of "besieged city/fortress besieged" 《围城》 in the novel of famous Chinese writer Qian Zhongshu. In general, "it seems like a besieged city, the people who lived inside want to get out, the people who are outside really want to live inside". On the one hand, poor female workers seem to be this kind of working people who live in the labor market and have a job to make ends meet, while lacking a specific status identification. On the other hand, social security is like a wall to protect people in a besieged city but needs an access card, and the working poor do not hold this card.

## CONCLUSION

Although the social security systems in Belgium and China are based on work performance, the decommodification process shows its diversity through the significant differences in social structures and social security models. The Belgium social security system focuses on supporting a rights-based

Table 12. Degree of decommodification between Belgium and China

Decommodification degree	Pension	Sickness benefit	Unemployment benefit	Family allowance	Total
China	Medium, but low for poor female workers	Medium, But low for rural and migrant workers	low	Low	Selected decommodification for certain people (exclude working poor)
Belgium	medium	high	High, but lower defamilization	low	Relatively medium (fair degree)

social contract through negotiating among individuals, organizations, and the state; it tends to pursue a generalized and equal decommodification process for all citizens based on the understanding of universal welfare. One worry is that due to the fission of poverty issue, the working in poverty rate develops with the trends of precariousness and individualism. Thus, the specificity is as important as the generalization of decommodification. In Belgium, the current conditions of single working mothers who suffer a higher risk of falling among poor female workers face challenges such as mainstream generalization, which demands multi-dimensional consideration in realizing a diverse decommodification process in the future development of the social security system.

In comparison, China's social security system highlights its particularity, which emphasizes the uniqueness of all people (rather than based on the individual) in the system. The Chinese system also provides strong support to the differentiation in process of decommodification to maintain the Chinese priority of close social relationships. Based on this, it has not yet formed a uniform standard or a universal value that is applicable to all. In other words, social security develops through fragmented sub-systems where people are likely to be classified within core groups, semi-marginal groups, and marginal groups. In this social security relationship network, through keeping a classified system based on relationship-oriented power, it is quite difficult for a person to move from the edge to the semi-marginal, or from the semi-marginal to the core since this movement depends on the specific conditions for social benefits. Thereby, it is not easy to reach an ingenious balance between generalized equity and specificity in the decommodification process, particularly for the people at the edge of system such as the working poor. Moreover, considering the information on an individual's contribution, expenditure, and other dimensions in former sections, the disparities of basic access to various forms of social insurance in China is mostly in correspondence with the individual's registration status, sex (in pension insurance), and the number of individual's contributions. Thus, it reveals the selected trends for certain groups where women de facto suffer less social recognition and have a more fragile relationship network than men.

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## ENDNOTES

- <sup>1</sup> “Adequacy” of social security means a state of being sufficient for a particular purpose; here in the research, it refers to the sufficient security specific to the working poor.
- <sup>2</sup> Three important social welfare programs, Andersen compare the 18 countries into these 3 aspects.
- <sup>3</sup> Comes from the report of Ministry of Human Resources and Social Security (2017) [http://caijing.chinadaily.com.cn/finance/2017-10/23/content\\_33600504.htm](http://caijing.chinadaily.com.cn/finance/2017-10/23/content_33600504.htm)
- <sup>4</sup> Comes from the report of Ministry of Human Resources and Social Security (2016) <https://www.chashebao.com/yanglaobaoxian/16247.html>
- <sup>5</sup> More specifically, about 49 years history for civil servants not contribution pension cause huge financial loopholes nowadays. In 2015, the situation is improves. Staff in government institutions implements the same basic pension system for enterprise employees. As the reform of Pension C, civil servants pay the 8% of wages which is the same as employees in enterprise. To the end of July, 2015, Shandong, Shanghai and some other areas gradually unveiled a local pension system implementation opinions and measures, has been clear about the individual capture expends wage base.
- <sup>6</sup> Contribution rates may vary by local government.
- <sup>7</sup> Local government may adjust contribution rates according to local conditions