

Gender Income Inequality and Female Poverty from the Perspective of Social Capital

WANG Xiaojing¹

1 School of Economics, Northwest University of Political Science and Law, Xi'An 710122, China

ABSTRACT. *The income inequality of the labor force under the gender difference forms a long-term income gap between the female group and the male group, which makes women more likely to fall into relative poverty, resulting in an ever-increasing and inextricable cycle of poverty. Social capital is a powerful perspective to interpret gender income inequality. The social capital theory explains the mechanism of women's income inequality through two different paths: lack of capital and lack of return, difference in career opportunities and difference in income within a career.*

KEYWORDS: *Social capital, Income inequality, Female poverty*

1. Introduction

Poverty is a very complicated topic. Different stages of productivity development and different social and economic systems will affect people's subjective judgment on the connotation of poverty. At first, people equated poverty with poverty of income or consumption. With the passage of time, people gradually realized that poverty is a more complex multidimensional phenomenon, including a series of factors such as nutrition, health, risk, education, culture and political rights. The evolution of the concept of poverty has roughly experienced material poverty, ability poverty and rights poverty from simple to complex. With the deepening understanding of the concept of poverty, the research on the causes and nature of poverty has become more and more detailed. Poverty is divided into relative poverty and absolute poverty in degree, and long-term poverty and temporary poverty in continuous state. Long-term poverty shows that households expect consumption to be lower than the poverty line within a certain period of time, while poverty beyond long-term poverty is called temporary poverty, which shows that households are unable to cope with the impact, resulting in greater consumption fluctuations.

In 1978, "feminization of poverty" was formally put forward by Pearce as a term, thus the issue of feminization of poverty has attracted wide attention as an academic issue. Driven by the feminist movement, the research on feminization of poverty has been deepening, gradually showing interdisciplinary cross-cutting and comprehensive nature. Research hotspots such as close connection with social welfare policies, feminization of poverty in developing countries, women's physical and mental health, gender perspective and micro-finance anti-poverty have emerged one by one. As to why women are more likely to fall into poverty, previous studies have explored the mechanism from the perspectives of family care, labor market, occupational segregation and discrimination, economic dependence, etc. From the perspective of dynamic evolution, this paper regards poverty as a continuously deepening abnormal state, which is characterized by lower income than normal people in economy. Based on Muir's causal principle of cyclic accumulation, this paper attempts to explain the general and continuous relative poverty of women through gender income inequality in the labor market.

2. An Important Way to Explain Female Poverty: Gender Income Inequality in the Labor Market

Income inequality and poverty are two distinct but closely related concepts. A simple understanding of the relationship between the two can be regarded as an expression of unequal resource allocation, which leads to polarization between the rich and the poor. Extreme and persistent income inequality will lead to poverty. The connotation of poverty is far greater than income inequality, and there are many factors leading to poverty. Income inequality can only interpret the mechanism of poverty from an economic perspective, and cannot fully show a series of factors such as nutrition, health, risks, education, culture, political rights and so on contained behind poverty. However, it is undeniable that the economic situation affected by income inequality is indeed an important indicator to measure poverty, and gender income inequality in the labor market has an important explanatory power for female poverty.

In 1974, Nobel Prize winner Muerdahl put forward the famous “circular cumulative causality principle”, which can explain how income inequality leads to poverty. Muerdahl believes that the initial change factors determine the whole change direction and will drive other factors. The affected other factors will in turn strengthen the initial change trend and direction. The cycle will continue and strengthen the cycle. A continuously deepened cycle causal accumulation path is formed according to the direction of the initial change factors. The phenomenon of female poverty is interpreted from the gender income gap in the labor market. After the development and expansion of the gender income gap in the labor market, the weak economic status of women is continuously strengthened, and the long-term weak economic status finally forms the relatively poor status of women. The income gap between women and men in the labor market can be regarded as the initial change factor. The lower income affects women's various inputs to obtain higher labor remuneration, thus creating a vicious circle of “low return-low input-lower return”. The lower income in the labor market, like a magic spell, firmly imprisons women in a weak economic position, making women more likely to fall into poverty than men. Only from an economic perspective, the income gap is due to the fact that women's relative poverty is the result. The accumulation of income gap has strengthened gender income inequality and caused the poverty cycle for women.

As a special social phenomenon, gender income inequality has been widely concerned by the academic circle because of its influence. Many scholars have focused on the widening gender wage gap in the process of China's marketization. Academic circles mainly have the following perspectives on the generation of gender income inequality in the labor market: family responsibilities, human capital and labor market segmentation. In recent years, social capital has also received much attention as a new research perspective. This paper chooses the perspective of social capital to analyze the formation path of gender income inequality in the labor market to explain how female poverty is formed step by step.

2.1 Gender Income Inequality from the Perspective of Social Capital

Social capital is the resources embedded in social networks that actors acquire and use in their actions (Lin, 2000; Bian Yanjie, 2004). The “New Economic Sociology School” represented by Granovetter clearly links economic returns with social networks, believing that individual actors are embedded in social networks, which affect their information acquisition, interpersonal trust, normative compliance, organizational loyalty and sense of responsibility. When the position of individuals in the social network and their external connections are born out of their economic behavior, the social network and its economic returns are a causal relationship (Granovetter, 1985, 2002). With the in-depth study of social capital theory, scholars believe that social capital is an important micro-mechanism for unequal reproduction and expansion. The differences in social relations, social resources and application ability of various groups lead to income differences among groups. Due to the great differences in social networks and embedded resources between different genders, women are often in the double dilemma of “lack of capital” and “lack of returns” in obtaining and using social capital (Lin, 2000). The basic point of view of this article is that gender differences not only result in women's poor ability to obtain social resources and their returns, but also affect women's professional status and their ability to “bargain” within their profession.

2.2 Income Inequality under Gender Social Capital Difference: Lack of Capital and Lack of Return

From the moment the socialization process began, the lack of female social capital began immediately, and this accumulation was accompanied by the gradual deepening of the socialization process. Under the influence of China's mainstream patriarchal culture, women have been taught from an early age to be clever and obedient, to be alert to strangers, not to trust others easily, and to avoid risks in interpersonal communication. Even as an only child, the way to raise a daughter is different from that of a boy. Although this kind of rearing method has prevented women from being hurt to some extent, this behavior model has been internalized in the process of socialization, and women have learned to keep a distance from unfamiliar people since childhood. After entering a long period of study, the school, as an important social place, has set up labels and templates for women's behavior in the name of education, further solidifying the rules of women's communication. Female students are taught to maintain a “female image”, and their behavior and interpersonal communication should be distinguished from male students to avoid active contact with male students. Patriarchal influence continues in the process of education, and women are further influenced in the space of communication. Through the socialization process of family upbringing and school education, the communication mode acquired by women in the early stage makes women accustomed to passive communication and even lack the ability to construct social resources with clear objectives and initiative. More importantly, socialization will be internalized in the long process of concept infiltration. Even if women are separated from early education, they will still be affected

by patriarchal influence. Social public opinion will use patriarchal culture as a criterion to evaluate women's social interaction. Under the influence of the long-term concept of "family first", women will internalize this concept and enter the labor market as adults to bring this influence into the process of expanding social capital. Women bear more family care responsibilities. The consumption of time and energy makes it difficult for women to strengthen their association with the workplace and further hinders women from expanding their social capital.

Through these socialization, women's social capital is not only less than that of men, but also presents some special features: firstly, the network scale is relatively small. Generally speaking, the scale of social network is proportional to the amount of social capital, which usually refers to the number of social network members and their spatial distribution. The larger the stock of social capital, the larger the scale of social networks, and the ability to mobilize a wider range of resources through social networks. Compared with men, women's social network is more of a strong network composed of relatives and neighbors who are in close contact with each other in their lives. The spatial distribution is relatively dense, and the narrow communication space limits the scale of women's social network. The male social network is obviously more of a weak network composed of friends and working partners with larger communication radius, which is widely distributed and alienated. In addition, the net difference of female social capital is relatively small. The network potential difference of social capital is simply understood as the gap between the top and bottom of the network, specifically the resource difference between members at the top of the social network and members at the bottom of the social network. Network potential difference is usually proportional to the amount of social capital. Large network potential difference can more overcome the repeatability of network resources and obtain a larger span of social resources. Women's less social capital stock and its characteristics are obviously inferior to men's in obtaining resources and influencing income.

In addition to the lack of social capital, women also face "lack of return" of social capital due to differences in the motives of initial construction and acquisition of social capital. On the one hand, less stock of social resources brings lower return on capital; On the other hand, gender differences act on the investment motivation of social capital, bringing about great differences between men and women. The construction of male social capital revolves around interest relations and has utilitarian purposes, while the starting point of the construction of female social capital is the emotional world, focusing on emotional connections. The women's network mainly revolves around family and intimate relationships, mainly composed of relatives, neighbors and good friends, while men's network is often composed of colleagues, leaders and customers due to more participation in work and social contacts. Under the common influence of traditional culture, social concepts and differences in gender preferences, women and men are increasingly segregated in two distinct fields of family and work, and the social capital returns women receive in the labor market are far less than those of men. Under the influence of the gender structure difference of social capital, even if the amount of social capital occupied by women and men is almost the same, this social capital return gap still exists.

2.3 Income Inequality under Gender Social Capital Difference: Occupational Opportunity Difference and Intra-Occupational Income Difference

Apart from the analysis angle of lack of social capital and lack of return, there is another way for social capital to affect the income difference between women and men, namely, the difference in opportunities to enter a profession and the difference in income within a profession.

Granovetter clearly divides social relations into strong relations and weak relations, which play different roles in different individuals, organizations and systems. Generally speaking, strong relationships include the core network relationships of groups or organizations to maintain and stabilize group ties. The weak relationship is outside the core network relationship. People have established extensive but relatively loose ties between organizations and groups. In Granovetter's view, strong relationships, as a link of communication within a group, are in a "natural weak position" when obtaining information within the group, because individuals within strong relationships have higher similarity and the information that can be transmitted is often repetitive. However, weak relationships play a linking role between groups and groups. Information acquisition is wide and loose, with low repeatability. It is easier for individuals to obtain upward mobility opportunities in career mobility. Previous studies have placed too much emphasis on the influence of strong relationships, but neglected the role of weak relationships. Although strong relationships can make people in closed groups trust and reduce uncertainty, they are far less than weak relationships in realizing information transmission in a wider range. Weak relationships connect different heterogeneous groups. Information transmission can often cross a larger social distance. Weak relationships can be used to find job mobility opportunities, thus obtaining more non-repetitive information and achieving better job search results.

In 1982, Linnan put forward the theory of social resources, expanding and revising Granovetter's weak relation hypothesis. The basic starting point of this theory is that the social system is naturally stratified, people are in different classes due to the differences in resources such as power, wealth and prestige, and people of the same class have similar social resources, often showing strong relationships. However, the social resources owned by people from different strata are quite different, showing a weak relationship. When people pursue instrumental goals, weak relationships provide a channel for people with low social class status to link people with high status, thus obtaining social resources (Granovetter, 1995; Bian Yanjie, 1999), when looking for high prestige jobs, people often get help through weak relationships rather than strong ones (Bian Yanjie, 1999).

All the arguments point to a conclusion: in the labor market, social capital can provide or expand potential development opportunities for workers. The important role of social capital in obtaining job-seeking information and opportunities makes it possible to increase the stock of social capital of job seekers, expand social resources, and significantly promote employment opportunities and quality, especially in an environment where labor supply exceeds demand. The role of social capital is mainly reflected in the following two points: First, it helps to obtain employment information and opportunities. At present, the labor market is full of a large amount of information asymmetry between supply and demand. Social capital has special significance in obtaining employment information and information transmission, which can greatly save information cost and accelerate information flow. On the other hand, it is helpful to obtain the opportunity of upward flow. The network characteristics of social capital determine the social status of individuals to some extent. China is a society with strong "human relations". The role of social capital cannot be ignored in the flow of opportunities. The quality of social capital determines the possibility of upward flow to some extent.

3. Conclusion and Prospect: How to Reverse Female Income Inequality and Alleviate Female Poverty

From the perspective of social capital, starting with the differences in social networks and embedded resources of different genders, and according to the different paths of men and women in obtaining and using social capital, it is pointed out that the differences in social capital of different genders not only result in the poor ability of women to obtain resources and their returns, but also affect the ability of women to obtain professional status and "bargain" within their professions.

To reverse the income inequality of women and alleviate the relative poverty of women, it needs to be strengthened from the perspective of social capital. From the perspective of social capital, the top priority is to enhance women's self-awareness, change traditional social gender concepts, cultivate women's social capital, increase the stock of women's social capital, not rigidly adhere to the social relationship network dominated by blood and geography, strive to broaden women's weak relationship social support network with business ties as a link, expand the social network gap, and strengthen the ability to obtain heterogeneous information.

References

- [1] Cheng Cheng, Wang Yixuan, Bian Yanjie (2015). Gender Income Difference in China's Labor Market: An Interpretation of Social Capital", *Population Research*, no.2, pp.3-16.
- [2] Li Jiaying (2017). Market Transformation and Gender Income Inequality in the Labor Market, no.3, pp.120-127.
- [3] Nan Lin(2005). *Social Capital: Theories on Social Structure and Action*", Shanghai People's Publishing House.
- [4] Tong Mei (2012). Social Network and Female Occupational Gender Segregation", *Sociological Research*, No.4, pp.67-83.
- [5] Tong Xin (2005). *Introduction to Gender Studies: Analysis of Social Mechanisms of Gender Inequality*", Beijing: Peking University Press.
- [6] Wang Meiyuan (2005). Gender Wage Differences in China's Urban Labor Market", *Economic Research*, no.12, pp.35-44.
- [7] Zhang Wenhong, Liu Lin (2013). Research on Gender Differences in Occupational Mobility-An Analytical Perspective of Social Networks. *Sociological Research*, no.5, pp.53-75.
- [8] N. Lin (2000). Inequality in Social Capital. *Contemporary Sociology*, vol.29, No.6, pp.785-789.

- [9] N. Lin (1999). Social Networks and Status Attainment. *Annual Review of Sociology*, vol.25, no.1, pp.467-487.
- [10] M. S. Granovetter (1977). The Strength of Weak Ties, *Social Networks*, Vol.78, No.6, pp.347-369.
- [11] M. S. Granovetter (1994). *Getting a Job: A Study of Contacts and Careers*, University of Chicago Press, Chicago.