

Urban and Rural Elderly Economic Disparities in Pension Support and Policy Recommendations

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Abstract: The study deeply explores the differences in the pension economy between urban and rural elderly in China. Through data analysis, it reveals the significant differences in pension insurance participation, financial support sources and levels between urban and rural elderly, and provides targeted countermeasures and suggestions. The research helps to carry out more targeted reform and improvement of the social security system to better meet the pension needs of the elderly in different regions, and provides useful reference for promoting the sustainable development of China's aging cause.

Keywords: Aging; Elderly care economy; Urban-rural differences; Countermeasures; Sustainable development

1. Introduction

With the continuous development of society, the aging of the global population is accelerating. As a country with a large population, China is naturally facing the challenge of a sharp increase in the elderly population. At the same time, the problem of urban and rural aging has become prominent, especially in terms of population aging, old-age dependency ratio, and sources of economic support. There are significant differences between urban and rural areas [1]. Urban elderly mainly rely on pensions, while rural elderly rely more on family support, resulting in an imbalance in the economic support structure. In addition, the financial asset management of the elderly has also become the focus, and the difference in financial assets between urban and rural areas still exists [2]. In this context, the research aims to deeply explore the differences between urban and rural pension economies, analyze their influencing factors, provide theoretical support for formulating more scientific and reasonable urban and rural pension policies, promote the improvement of the quality of life of the elderly, and promote the coordinated development of urban and rural areas.

2. Analysis Method of Economic Differences between Urban and Rural Elderly Care

2.1. Definition and theoretical basis of relevant concepts

In the study, based on China's current legal retirement age and considering that the analysis of urban and rural pension financial support is conducted in the context of China's urban-rural dual system, the elderly are defined

as people over 60 years old in China to adapt to China's cultural and institutional background. Elderly care support for the elderly includes three aspects: financial support, life care and spiritual comfort. The research mainly focuses on the financial support of the elderly, which is divided into two aspects: income-based financial support and family financial asset-based financial support. Income economic support includes income from individuals, families and society, specifically involving work income, agricultural income, intergenerational support income, property income, pension insurance, etc. Household financial asset-based economic support focuses on the financial assets at the disposal of the elderly and reflects their economic management level. In addition, the research is centered on three theoretical foundations: hierarchy of needs theory, social stratification theory and social exchange theory to deepen the understanding of urban-rural differences in financial support for elderly care.

2.2. Analysis assumptions and data variable selection

Hypothesis 1 holds that there are differences in the income-based financial support of the elderly in three aspects: individual, family, and society. Urban elderly are more dependent on social sources, while rural elderly are more dependent on family sources. Secondly, Hypothesis 2 holds that basic personal characteristics have a significant impact on the economic support of the elderly. Among urban elderly men, the total income is higher, and age and education level are positively related to total income and household financial assets. Hypothesis 3 holds that family characteristics have a significant impact on the economic support of the elderly. The economic

support provided by urban elderly people to their children is positively related to total income and family financial assets. Hypothesis 4 holds that health status has a significant impact on the economic support of the elderly. The total income of the elderly with good self-rated health is high, while the total income of the elderly with high levels of depression and dissatisfaction with life is low. Hypothesis 5 holds that the social security situation has a significant impact on the economic support of the elderly. The total income and household financial assets of urban elderly people participating in medical insurance and pension insurance are higher than other types. Finally, Hypothesis 6 believes that pension insurance type and educational level are the main factors that expand the urban-rural difference in economic support for the elderly. The study used the 2018 China Health and Retirement Longitudinal Study (CHARLS), which included 19,827 samples. In order to meet the research needs, 4955 valid samples suitable for this study were screened out from the questionnaire data in six aspects: basic information, family, health status and functions, medical care and insurance, work and retirement, income expenditure and assets. These include 1,512 urban samples and 3,443 rural samples. For the dependent variable, the study selects the logarithm of financial support for the elderly, including income-based financial support and family financial asset-based financial support. In terms of independent variables, it covers basic personal characteristics, family characteristics, health status and social security situation.

3. Analysis Results and Countermeasures and Suggestions on the Economic Differences between Urban and Rural Elderly Care

3.1. Analysis results of economic differences between urban and rural elderly care

The study used a variety of models, including multiple linear regression, to analyze the research data and draw data conclusions. First, there are some differences in the medical insurance and pension insurance participation status of urban and rural elderly people. Among the urban samples, the largest number of elderly people participated in urban and rural residents' medical insurance, accounting for 62.2% of the sample, followed by those participating in urban employee medical insurance, accounting for 34.1%, and the proportion of other medical insurances was smaller. In terms of pension insurance, among the urban samples, the largest number of elderly people participated in the urban employee pension insurance, accounting for 77.2%, followed by the elderly participating in the urban and rural residents' pension insurance, accounting for 22.1%. The proportion of other pension insurance participants was relatively low. In rural samples, compared with urban residents, more elderly

people participate in urban and rural residents' medical insurance, accounting for 89.9% of the sample, while the proportion of urban employees' medical insurance is relatively low, at 8.9%, and those participating in other medical insurances The proportion is also smaller. In terms of pension insurance, rural elderly have the highest proportion of participating in urban and rural residents' pension insurance, accounting for 84.1% of the sample, and the proportion of participating in urban employee pension insurance is 11.0%. The proportion of participating in other pension insurances is relatively low. The economic income sources of urban and rural elderly people are shown in Figure 1.

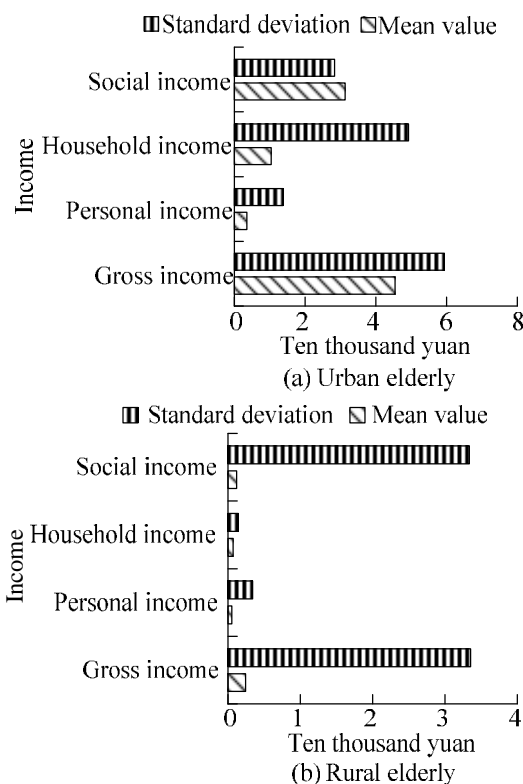


Figure 1. Analysis results

As can be seen from Figure 1, the financial support for elderly care in urban areas shows a relatively optimistic trend. The average total income is 45,457.85 yuan/year, of which the average social income is 31,267.57 yuan/year, which mainly relies on social income. In contrast, in rural areas, the average level of financial support for elderly people is relatively average, with total income of 24,375.97 yuan/year and social income of 12,077.62 yuan/year. In terms of specific sources, the total income, family income, and social income of the rural elderly are lower than those of the urban elderly, while their personal income is higher than that of the urban elderly. This shows that the financial support for elderly care in rural

areas is relatively average, and the contribution of personal efforts is more significant. In addition, the study also found that there are significant differences in factors affecting the level of economic support for the elderly in urban and rural areas. In urban areas, elderly people who are female, younger, less educated, have no spouses, and have no religious beliefs have lower financial support for their elderly care, while in rural areas, older people who are female, older, have less education, have no spouses, and have no religious beliefs have lower financial support for their retirement. Financial support for elderly people is low.

3.2. Countermeasures and suggestions

In order to narrow the gap in economic support for the elderly between urban and rural areas, the study recommends taking a number of measures to improve welfare policies for the elderly. First, pay special attention to the economically disadvantaged elderly, such as women, widows, and people with low education levels, and formulate economic support policies. Secondly, strengthen the rural social security system, improve the level of rural pension insurance, and narrow the gap between urban and rural pension insurance. Encourage diversified pension security methods and develop personal savings pension insurance and commercial pension insurance. Strengthen the family's responsibility for providing care for the elderly, advocate equality between men and women, and strengthen ties with the elderly. Encourage healthy rural elderly people to participate in the labor force, implement active aging strategies, provide employment support, and the government provides suitable jobs. We can also subsidize some agricultural products

and formulate reasonable policies to increase the agricultural income level of rural elderly people.

4. Conclusion

The study analyzes the economic differences between urban and rural elderly care based on the current situation of population aging. The results show that there are significant differences in the elderly care economy between urban and rural areas, mainly reflected in income sources, social security participation and financial support levels. Urban elderly people rely more on pensions and social income, while rural elderly people rely more on family support and personal efforts. The study recommends that in improving welfare policies for the elderly, special attention should be paid to economically disadvantaged groups, the rural social security system should be strengthened, diversified pension security methods should be encouraged, family pension responsibilities should be strengthened, and healthy rural elderly should be encouraged to participate in the labor force. The research is expected to promote the balanced development of the elderly care economy in urban and rural areas, improve the quality of life of the elderly, and promote the coordinated development of urban and rural areas.

References

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