



UNRISD

UNITED NATIONS RESEARCH INSTITUTE FOR SOCIAL DEVELOPMENT

**The Political and Social Economy of Care:
Republic of Korea Research Report 3**

Ito Peng
Department of Sociology
University of Toronto

June 2009

The **United Nations Research Institute for Social Development (UNRISD)** is an autonomous agency engaging in multidisciplinary research on the social dimensions of contemporary problems affecting development. Its work is guided by the conviction that, for effective development policies to be formulated, an understanding of the social and political context is crucial. The Institute attempts to provide governments, development agencies, grassroots organizations and scholars with a better understanding of how development policies and processes of economic, social and environmental change affect different social groups. Working through an extensive network of national research centres, UNRISD aims to promote original research and strengthen research capacity in developing countries.

Research programmes include: Civil Society and Social Movements; Democracy, Governance and Well-Being; Gender and Development; Identities, Conflict and Cohesion; Markets, Business and Regulation; and Social Policy and Development.

A list of the Institute's free and priced publications can be obtained by contacting the Reference Centre.

UNRISD, Palais des Nations
1211 Geneva 10, Switzerland

Tel: (41 22) 9173020
Fax: (41 22) 9170650
E-mail: info@unrisd.org
Web: <http://www.unrisd.org>

Copyright © United Nations Research Institute for Social Development (UNRISD).

This is not a formal UNRISD publication. The responsibility for opinions expressed in signed studies rests solely with their author(s), and availability on the UNRISD Web site (<http://www.unrisd.org>) does not constitute an endorsement by UNRISD of the opinions expressed in them. No publication or distribution of these papers is permitted without the prior authorization of the author(s), except for personal use.

Introduction

In this paper I apply the idea of the “care diamond” (Razavi 2007), a conceptual framework used to understand how societal care is produced and provided by the state, market, family, and community, to the political and social economy of care in the Republic of Korea (hereafter Korea). I argue that the institutional arrangements making up the care diamond in Korea have changed quite noticeably since the 1990s in response to the country’s evolving political, economic, and social contexts. Using the case of family-work harmonization policy reforms, I discuss the reconfiguration of the care diamond and what this means for gender. The paper is divided into three sections. Section 1 describes the social policy regime in Korea and how this relates to the idea of the care diamond. Section 2 highlights key findings from our Time Use Survey analysis based on data from 1999 and 2004,¹ showing that despite increased state support for family care, women continue to take on a large share of unpaid care work within households, and that the total value of this work represents a significant percentage of Korea’s GDP. Finally, Section 3 provides an in-depth examination of the changing dynamics of the care diamond in Korea since the 1990s and considers implications for gender.

1. Social Policy Regime

Esping-Andersen’s familialistic welfare regime and Lewis’ male breadwinner model can both fruitfully be applied to Korea’s social policy regime (Esping-Andersen, 1999; Lewis, 1992). If we follow Esping-Andersen’s classification, Korean social policy regime, as in Japan and the Southern Mediterranean countries of Italy and Spain, can be categorized as “familialistic” – that is, a welfare regime “that assigns a maximum of welfare obligations to the households” (Esping-Andersen, 1999: 45). Lewis’ framework, meanwhile, places it within the category of strong male breadwinner welfare regimes, aside Japan, Germany, and Ireland. Traditionally, Korean social policy regime devolved individual welfare and care responsibilities upon households (thus particularly impacting women) by providing almost no alternatives to family care. Unlike Social Democratic welfare states where public provisions of care services are available for children, the elderly, and the disabled, and unlike Liberal welfare states such as the US and Canada, where private-market based personal-care services are available to middle and higher income households, in Korea the absence of both public and private market sources of care has rendered the family the only viable site of personal care. As a result, women have performed much of the care work within the family in an un-commodified form.

¹ This section will be brief because a separate report on the Time Use Survey in Korea is available through UNRISD Political and Social Economy of Care Project (www.unrisd.org).

It is important to point out, however, that the fundamental logic of Korean social policy regime is both deeply gendered and filial. Welfare obligations are imposed not only on daughters but on sons and other male offspring as well. Hence, the notion of the male breadwinner family in a Korean context needs to be overlaid with the concept of familialism – intergenerational obligations and interdependencies that are gender and generation specific. Even so, men are able to escape *doing* care by *facilitating* care through the provision of material support and by delegating women to the task of caring. Korea's dualistic employment system privileges male workers through employment protection and welfare benefits; it is, therefore, an institutional structure developed to sustain men's indirect and women's direct familial care obligations.

This tight institutional interlock is changing, however. While maintaining a familialistic male breadwinner orientation, the Korean social policy regime, as in Japan, has been remodelling itself since the 1990s, from what may be considered an *extensive familialism* premised on women's un-commodified care work to a *modified familialism* through the partial commodification of women's care work.² In short, the state's preference for assigning maximum welfare obligations to individual households is being modified by attempts to lessen women's care responsibilities through social care expansion. The process of shifting some of women's care burdens, such as child and elderly care, out of the family has resulted in the commodification of some of women's hitherto un-commodified care work at home.

In what follows, I outline Korean social policy regime using Esping-Andersen and Lewis' welfare regime models, but I add a layer of complexity – late developer phenomenon – to explain the residualism and inconsistencies that so often confound the Korean welfare mix. I also illustrate key components of the Korean social policy regime and identify recent changes.

Korean Social Policy Regime – Familialism, Male Breadwinner, and Late Developer Phenomenon

Korea's familialistic male breadwinner welfare regime is displayed in the state's extensive reliance on the family for individual welfare and personal care – leading, as noted above, to women's un-commodified labour.³ A familialistic welfare regime is residual in that many (if not most) welfare obligations are assigned to the family.⁴ Until recently, Korean residualism took shape in minimal state support to the family, limited means-tested social welfare, and a strong bias in favour of male

² See Leitner (2003) for a discussion of different forms of familialism

³ This is evocative of other familialistic welfare regimes such as Japan and Southern Mediterranean countries, where the state's reliance on the family has led to a lack of family support programmes and personal social services.

⁴ Unlike a liberal welfare regime, the residualism of a familialistic welfare regime stems from the state's welfare responses directed to family failures rather than market failures.

breadwinner household arrangements supported by extensive employment protection legislation and stratified social insurance systems that favoured and protected full time male workers.

The recent modification of the state's approach to the family is an improvement but is a long way from overturning a fundamentally familialistic and patriarchal welfare orientation. Despite the increase in social spending since 1990, the proportion going to the family remains low. The percentage of *total government expenditure* on the family was 0.9 percent in 2005, a noticeable increase from 0.16 percent in 1990 and 0.33 percent in 2000 (OECD, 2008),^{5 6} but is still far from that of Japan, Sweden, and the UK, which were, respectively, 1.7 percent, 5.7 percent, and 6.6 percent in 2000, and 2.8 percent, 5.7 percent, and 9.6 percent, respectively, in 2005 (OECD, 2008).

From the perspective of the care diamond, the family continues to play a significant role in welfare provision in Korea. Until recently, the family provided the bulk of child and elderly care and was the main insurance against social risks. The family is still an important source of old age security for the elderly. The high, though declining, level of co-residency amongst the elderly and their adult children allows multi-generation family members to share housing and pool incomes and other material resources, and to exchange child and elderly care services. As shown in Table 1, despite the substantial increase in the proportion of single generation and single person elderly households since 1990, about 30 percent of all households with older people are three-generational. The importance of intergenerational economic support is underscored by the high level of material transfer from adult children (i.e. sons) to their elderly parents. Again, despite the evident decline since the mid-1990s, a little over half of those over the age of 60 claim that they receive material support from their children (Table 2). Furthermore, despite the sharp drop in the proportion of the elderly claiming financial support from their children as *their main income source*, from 72.4 percent in 1981 to 44.3 percent in 1994, the Korean figure is considerably higher than countries such as the US and Denmark, where less than 1 percent of elderly people claim financial support from their children as their main income source (Kwon, 2001). Simply put, despite its declining importance, the family still performs an important role in old age security in Korea.

The family in Korea also plays a vital role in human capital investment. Despite the sizeable, and increasing, public investment in education and health, Korean families continue to

⁵ The OECD defines social spending on family in terms of three types of public expenditures: 1) child-related cash transfers to families, including child allowances, income replacements for parental leave, income support for single parent families, and public child care support through payments to parents; 2) financing and delivery of services for families with children, including child care and early education, residential facilities for young people and family services, and centre-based facilities and home help services for families; and 3) financial support to families through tax system, including tax exemptions for families, child tax allowances, and child tax credits.

⁶ Social expenditure on family and social welfare increased substantially after 2003, but no data are available.

spend a significant amount of money in both areas. For example, the public expenditure on education as percentage of GDP rose from 4.6 percent (8,524 billion Won) to 6.2 percent (48,258 billion won) between 1990 and 2004; however, the private expenditure on education as a percentage of total household consumption for urban households also rose from 8.1 percent to 11.5 percent during the same period (Ministry of Education, Science and Technology, 2004).⁷ The household educational spending increased to 12 percent in 2007, the highest since Korean National Statistics Office (KNSO) began compiling the data in 1984 (Korea Times, 2008). Much of this rise is attributed to spending on private tutoring. Similarly, the proportion of spending going to private, extracurricular education increased from 36.3 percent of the total household educational spending in 1990 to 77.2 percent in 2004 (The Hankyorei, 2007). In the health care sector, the huge increase in the public share of the total health spending (35.7 percent in 1995 to 53.0 percent in 2005) is offset by a fairly high level household spending.⁸ In fact, because of the high co-payment rate, even with the rapid expansion of public health spending, the private share of health spending in Korea is amongst the highest in the OECD, after Greece (57 percent) and the US (55 percent) (OECD, 2007). In sum, while the public expenditure on social welfare and family support have increased in recent years, leading to a shift to a modified form of familialism, the family in Korea continues to play a major role in protecting individuals from social risks.

Late developer phenomenon is another important context of Korea's social policy regime. The Korean welfare state's developmental context makes its social policy regime hard to place within Esping-Andersen's welfare typologies, as its emergent welfare system often makes the welfare mix inconsistent. For example, although the modern Korean social security system began with a strong emphasis on occupationally based social insurance and employment protection legislation – features that would make it an obvious candidate for Esping-Andersen's conservative welfare regime – both systems changed quite markedly after 1987. The occupationally based social insurance systems – health, pension, employment, and workers' compensation insurances – had been gradually expanding since the 1970s, but the pace of expansion accelerated exponentially after the 1987 political democratization. Notwithstanding the universalization of health insurance in 1989 and pension insurance in 1999, other social insurance programmes were extended to most regular

⁷ The figures for rural households declined from 10.5 percent to 4.1 percent between 1990 and 2004. This can be accounted for by the combination of increased state support for rural families and the changing demographic composition of rural families.

⁸ During this time, the total health spending to GDP in Korea rose from 4.9 percent to 6.0 percent (OECD, 2007).

workers and employees.⁹ After 1998, the Employment Insurance coverage was extended to cover almost all *waged workers* in all workplaces, including most non-regular workers.¹⁰ Non-regular employees, the self-employed, and unpaid family workers were included in Workers' Compensation insurance (or Occupational Accident insurance) coverage in 2000. Finally, in 2000, the National Basic Livelihood Security Programme (NBLSP) decoupled the welfare entitlement from individual labour market attachment, making low income the sole criterion for receiving social assistance – a radical ideational departure from the previous social assistance system. Such a trajectory marks a shift from a conservative residual welfare model to a more universalistic welfare model. By the end of the 1990s, the main purpose of social insurance had shifted from its original aim, that of serving as a limited system of social risk pooling for core workers in key industries and professional groups, to that of a tool for social risk pooling and income redistribution. Thus, even if the *structure* of Korean welfare regime appears stubbornly unaltered, its *functional purposes* have changed quite significantly (for further discussion of changes in welfare regime structure and purposes, see Peng and Wong, 2008).

At the same time, despite the welfare expansion, the Korean welfare mix exhibits liberal and informal features. First, the state's total social spending remains low, despite the recent surge. We can arguably attribute this to Korea's developmental status: although the Korean government has made significant progress in doubling its total social spending from 3 percent of GDP in 1990 to 6 percent in 2000, it will take time to reach the OECD average. The new national blueprint for social and economic development, Vision 2030 (discussed later), proposes to raise Korea's social spending to the OECD average of 21 percent by the year 2030 (Vision 2030). If successful, this would be an incredible developmental feat. Unlike many western welfare states Korea's modern welfare state only began to take form after 1960, and more seriously after 1987. Given its relatively short development history and its stage of economic development, it is understandable that Korea's social expenditure is low compared to other OECD countries.

Second, and related to the first point, even with the expansion of most social insurances, an individual's labour market status makes a difference in his/her social security. While this is true in

⁹ Health care and pension insurance in Korea are universal, in that they are compulsory social insurance schemes. But despite their universal characteristics, there are status and gender-based differences. Individuals are insured through their employment or through their family/spouse's insurance coverage; given women's lower employment rate, many women are not directly covered, but are covered through spouses or fathers. The coverage rate for pensions is highly gendered because of women's low employment rate and the newness of the national pension scheme.

¹⁰ The 1998 reform expanded the coverage of EIP to all waged workers in all firms, except the following: workers over the age of 65 and new employees over the age of 60; part-time workers working less than 18 hours per week, or 80 hours per month; government officials; employees covered by the Private School Teachers' Pension Act; special postal workers.

other welfare regimes – in even the social democratic cluster of countries recent pension reforms have eroded the basic citizenship pillar – the issue of labour market status is more pronounced in Korea simply because of its large informal or non-standard employment sector¹¹ and its relatively early stage of welfare state development. For example, even though Workers' Compensation covers non-regular workers and the self-employed, the Employment Insurance coverage is limited to waged workers (i.e. formal sector employees). Over 30 percent of all workers in the Korean labour force are in the informal sector - self-employed, unpaid family workers, and own account holders – and the lack of Employment Insurance coverage makes them economically vulnerable (see Heintz 2008 for a comparative perspective). Even in 2003, only about 7.2 million out of a total 14.4 million workers (50 percent) in Korea were covered by Employment Insurance, the other half being without insurance coverage largely because of their status as self-employed and/or unpaid family workers. The gender breakdown of Employment Insurance coverage shows that 57.1 percent of all male workers and 40 percent of all female workers had coverage in 2003 (Kim, et. al., 2004).¹²

Thus, while formal social insurance programmes are in place, the large informal employment sector creates barriers to workers accessing these social insurances. In sum, Korean social policy regime exhibits characteristics of familialism and late developer phenomenon: its familialistic orientation causes gender bias and residualism, while its developmental status is evidenced in its high level of informality, early stage of welfare development, and its inconsistent and evolving welfare mix.

Income Equality and Poverty Outcomes

However, Korea fares rather well on orthodox measures of economic inequality and poverty. For example, although Gini figures for Korea vary depending on the data sources,¹³ there is general agreement that income inequality declined after 1960 and remained relatively low until the late 1990s. The World Income Inequality Database (WIID) calculations of Gini figures for Korea show a range of 0.29 to 0.42 for 1965, 0.30 to 0.36 for 1970; 0.36 to 0.41 for 1980; 0.32 to 0.33 for 1990;

¹¹ I use non-standard employment sector to refer to the sectors of employment such as self-employed, own account holders, and unpaid family workers. This is different from non-regular employment sector, which is part of the salary and wage employment but is not full time employment.

¹² These features make the Korean welfare regime somewhat akin to Latin American welfare regimes in having a strong feature of informality (Barrientos, 2004). Unlike Latin American welfare regimes (e.g. Mexico), where informal sector workers are often excluded from health and pension insurance, Korean health and pension insurance is universal, and the Korean government has made efforts to broaden other social insurance schemes to include informal sector workers.

¹³ Data on income equality in Korea are highly variable because of the incompleteness of many household income surveys. Many official and non-official data are based on household incomes of employees, or urban working population, and may over-estimate the level of income equality. WIID calculations vary widely because they try to use different household income data.

and 0.37 to 0.43 for 1998 (WIID, 2006). The Korea National Statistics Office's calculations based on the Family Income and Expenditure Survey shows Gini increasing from 0.31 in January 1996 to 0.33 in January 1999, and declining to 0.32 in April 2000. Kang's summary of historical trends of Korea's income distributions (Table 3) shows a continuing reduction in income inequality from the 1960s to the late 1990s, then rising after the 1997 Asian economic crisis (Kang, 2001).

The level of poverty in Korea varies depending on the data source used, but has been low compared to other developing and developed countries. For example, the proportion of population living below \$2 per day in Korea was less than 2 percent in 2005 (WDI, 2006). The estimates for population living in the poverty range from the KNSO estimate of 5.9 percent in January 1996, 8.5 percent in January 1999, and 4.6 in April 2000 (Park), to Yoo and Kim's (2003) estimate of 17 percent.¹⁴ OECD calculation of total household poverty rate using 40 percent of median income shows fluctuation in poverty rate from 5.0 percent in 1991 to 4.6 percent in 1996 and then up to 8.1 percent in 2000, with elderly, single person, and female-headed household poverty rates being much higher than the average, at 38.8 percent, 16.4 percent and 14.6 percent in 2000, respectively (OECD, 2007b). Park's (2002) in-depth analysis of poverty in Korea suggests the poverty rate in Korea declined between 1982 (20.4 percent) and 1996 (7.4 percent). It rose again after 1997, reaching 15.4 percent in 1999, then fell to 8.4 percent in 2000. Four main causes of poverty in Korea, according to Park are: lack of capacity to work due to age (either too old or too young), illness, disability, and not having a father in the family.

The apparent income equality in Korea, however, needs to be taken with caution. First, it is clear that the positive socio-economic outcome is not a result of effective income redistribution through social policy, but an outcome of a combination of long-term economic growth and the type of political economic institutional arrangement that, at least until recently, provided male breadwinners with basic employment security and family wages. Indeed, as pointed out by Yoo et al., the differences between disposable income equality and market income equality in Korea is remarkably low, merely 4.5 percent in 2000, as compared to the OECD average of 41.65 percent in 1986 (Yoo et al., 2004). This implies that the Korean welfare state plays a marginal role in income equalization. Income equalization has been achieved through the state's effective management of economic development that has led to sustained economic growth, a secure employment system, and a low wage gap amongst male workers, at least until very recently. Korea's protective

¹⁴ Yoo and Kim's calculation is based on total household poverty rate at 50 percent of median income.

employment and labour market policies were, therefore, important factors behind low levels of poverty and income disparity.

Second, inequality and poverty measures are based on aggregate income at the household level, thereby obscuring gender differences in income and the extent of women's poverty. As illustrated by OECD calculations, the poverty rate amongst female-headed households in 2000 was nearly twice that of the total household figure (OECD, 2007b). Korea studies confirm that single mother families are much more likely to live in poverty than are two parent families or single father families (MOGEM, 2005; Park, 1998). The main reason is the ongoing labour market gender inequality. Despite the decline since the 1990s, gender wage gap was still about 40 percent in 2006 (Ministry of Labour, 2008).¹⁵

Re-articulation of Labour Market and Social Welfare Policies

A key feature of Korean labour market policies since the 1960s has been strong employment protection. The labour law, until the recent reforms, restricted employers from hiring non-regular workers and laying-off employees. In effect, as Woo (2007) points out, without having the kind of lifetime employment system found in countries like Japan, Korean labour law provided a *de facto* lifetime employment for male workers in standard full-time employment. The strong employment protection component of Korean labour law was the political trade off for its highly repressive and anti-labour side that denied labour the right to form independent unions and engage in political activities (Woo, 2007). This situation has changed since the 1990s with increased political rights for labour, on the one hand; and the loosening of employment protection, on the other. The process of labour market deregulation intensified after the aforementioned 1997 Asian economic crisis, when the government, following IMF economic bailout conditions, overhauled the labour market. Subsequently, the employment protection capacity of the labour law weakened significantly. The sharp rise in income inequality and poverty after the economic crisis was the combination of worker layoffs and forced retirements, and the subsequent replacement of regular employment with non-regular employment.¹⁶

¹⁵ Women's wage, working hours, and turnover rate relative to men in 1995 and 2003 were as follows: Wage – 59.9 percent (1995); 64.2 percent (2003); Working hours – 97.2 percent (1995); 97.0 percent (2003); Turnover rate – 130.0 percent (1995); 138.1 percent (2003) (Ministry of Labor, *Monthly Wage Statistics Report*, 2008)

¹⁶ On the nature of non-regular employment in Korea, see Peng and Mahon (2007, draft); Grub, Lee and Tergeist (2007); Ahn (2006); Jung and Cheon (2006).

It is important to point out that the income inequality outcome of the post-1997 labour market restructuring was by no means gender neutral. To be sure, women were significantly more adversely affected. The proportion of women in regular standard employment (as a percentage of all economically active women) declined from 25.5 percent to 19.1 percent between 1995 and 2000, while that of non-regular standard employment (temporary and daily employment) rose from 34.0 percent to 42.4 percent during the same period, suggesting that many women were laid off and/or withdrew from full-time work and opted for temporary and daily employment (KWDI, 2008). Lee and Cho (2005) claim that many women dropped out of the labour market after 1997 because they were frustrated by employers' discriminatory behaviour. Their claim is supported by Lee et al.'s survey of employer behaviour in 2000 which found that the majority of employers held either gender stereotypical attitudes and/or aversion towards hiring women because of the possibility of career interruption due to marriage and maternity (Lee et al., 2001). Cho (1999) also notes a significantly higher rate of involuntary unemployment among women as compared to men in 1998, suggesting that women workers were most likely the first to be let go after the economic crisis.

By 2003, the issue of income inequality was a central public policy issue in Korea. As a result, economic and social policies were tightly interwoven. This is evident in the Roh Moo-hyun administration's (2003-2008) policy strategy, Vision 2030, introduced in 2006. As a national blueprint for Korean government's long-term social and economic development strategy, Vision 2030 reframes the principle of Korean national development from "economy first; welfare later" to "economic growth with welfare." The Vision's overarching goals of raising per capita income to US\$49,000 (from the 2006 level of US\$14,000) and the total social expenditure to 21 percent of GDP (from the 2007 level of 8.6 percent) by 2030 is premised on the idea of increased public investment in human and social capital and the creation of positive returns between economic growth and social welfare development. The government's efforts to increase business competitiveness and labour market flexibility are counterbalanced by an expanded social security and social welfare system; at the same time, social welfare expansion (particularly in child and elderly care) is seen as the "growth engine" for economic development (Lee, 2007).¹⁷

Key Components of the Korean Social Policy Regime and Recent Reforms

Figure 1 illustrates the key components of the Korean social policy regime, and Table 4 provides detailed information about the major social security programmes. As illustrated above, the recent

¹⁷Also interview with Lee Sook Jin, KIHASA, 18 December 2007.

reforms have led to a universalization of social insurance and expansion of public assistance and social welfare. The Korean social security system appears to be delivering a reasonably wide range of income support and social services programmes, despite the low level of total public social expenditure. There is some indication of extensive population coverage for key social policy programmes, such as health care and education. The health and social welfare outcomes for Korea are also quite positive. For example, the population health data show increasing life expectancy at birth, at 75 years for males and 82 for females in 2006, a noticeable jump from the 1990 figures of 68 and 76 years, respectively; a low infant mortality rate (5/1,000 live births, in 2006); and generally positive health status compared to other OECD countries (WHO, 2008). On the educational front, school enrolment rates amongst Korean children and youth are extremely high. Moreover, student performance on combined reading, scientific, and mathematical literacy scales show Korean students performing significantly better than other OECD countries (OECD, 2006).

In sum, the Korean social welfare regime has made significant strides over the last several decades through expansion and redesign. Since 1990, the social security system has expanded by: 1) universalizing key social insurance schemes – health and pension; 2) extending insurance coverage in areas such as workers' compensation and employment insurance; and 3) adding new social insurance schemes, for example, Elderly Care Insurance in July 2008. Social assistance programmes, such as the National Basic Livelihood Support, have been restructured by dropping the labour market attachment criterion for social assistance eligibility. Finally, the social care sector has been extended through the expansion of child and elderly care, as will be discussed in Section 3.

Section 2: Significance of Unpaid Care within the Household to Total Care Provisioning

We analyzed the Time Use Survey data from 1999 and 2004 (the only two data sets currently available) to determine the magnitude of unpaid care work carried out within the household, how this unpaid care work is distributed between men and women, and whether there has been any change in its size and nature over time in Korea. In this section, I summarize our key findings.

Our analysis shows that by 2004, the expansion in social welfare and social care, particularly child care (discussed in Section 3), had not created much change in the amount of unpaid care work undertaken by women in the household or in the distribution of unpaid care work between men and women. On the whole, men spent proportionally more (but not much more) time on paid employment and significantly less time on unpaid care work, than women in both 1999 and 2004. Women spent a little less time on paid employment and significantly more time on unpaid care work. When added together, men spent on average 19 percent and 18 percent of a day on paid employment

in 1999 and 2004, respectively, while women spent 12 percent and 11 percent, respectively. The proportion of time men spent on housekeeping and person-care were 2 percent and 3 percent in 1999 and 2004, as compared to women at 14 percent and 13 percent, respectively. In total, men spent 21 percent of their time on paid and unpaid work in both years, while women spent 27 percent and 24 percent, respectively. Put another way, women spent more than 5 times the amount of time that men spent on unpaid care work, while at the same time spending a little over 60 percent of the time men spent on paid work. In sum, women not only took on more unpaid care work than men, but the overall proportion of time women spent on work (paid and unpaid) was higher than men's.

A closer examination of the time use shows that in the years surveyed, married women bore the largest burden of unpaid care work in Korea. For example, married women's mean participation time and participation rate in housekeeping work were significantly higher when compared to married men and single women in both years (Table 5). It seems that much of married women's unpaid care work in Korea is concentrated in childcare (Table 6).¹⁸ In another calculation, we found that while women's unpaid care work seemed to have declined slightly in 2004 for those who were employed, whether employed or not, women took on a disproportionately larger burden of unpaid care work than men (Ahn, 2008). These figures suggest, first, that the gender division of labour remained relatively unchanged between 1999 and 2004, and second, that regardless of their employment status, women, particularly married women, in Korea take on a disproportionately large share of unpaid care work both in terms of the amount of time they spend and in their participation rate. The significance of women's unpaid care work to the national economy cannot be under-estimated. Our calculations of the value of unpaid care work in 2004 as a percentage of the GDP show that it could reach as high as 29 percent of the GDP, with women contributing 24 percent and men contributing 5 to 6 percent.

In sum, the Time Use Survey data show no evidence of women's share of unpaid care work within the households being lessened, or changes in gender division of labour between 1999 and 2004. This may be accounted for by the timing of social care expansion and by time lag. Since some of the key areas of social care expansion, such as childcare services and benefits, happened after 2004, our current Time Use Survey analysis may not be the best indicator of policy impacts on household care distribution. Indeed, as Vision 2030 becomes more fully implemented, we may see

¹⁸ The demand for elderly care remains low, largely because the proportion of the elderly population in Korea is lower (about 8 percent in 2004) than in most OECD countries. This will likely change as the population is rapidly aging – a result of the low fertility rate.

some real decline in the proportion of women's unpaid care work within the households, however, it is too early even to hazard a guess.

Section 3: The Care Diamond

As shown in Figure 2 below, since the 1990s the Korean state has taken on a larger role in regulating, providing, and financing social care services, and with the implementation of Vision 2030, its participation in social welfare and care will expand farther. The market's role in supplying and maintaining steady and secure employment for male breadwinners has weakened as a result of labour market reforms; as a result, it has repositioned itself as a supplier of social and care services, and a source of new, albeit precarious, service sector employment. Since a significant portion of this new service sector industry relates to care – for children and elderly – the market will likely take on an increasing role within the care diamond. The family still remains an important site of social welfare and care, but has been relieved of *some* of its care and welfare responsibilities with the expanded participation of state and market in social welfare. Finally, there is an expectation that NGOs and voluntary organizations will play a larger part in providing social welfare and social care. In sum, the configuration of the Korean care diamond has shifted from a strong emphasis on the family (in providing care) and the market (in providing stable industrial employment) to a more balanced redistribution of care and welfare provision.

In this section, I will outline the changes in the care diamond since the 1990s and discuss how these changes have come about. I argue that the expansion of social welfare and social care in Korea is a product of multiple and often conflicting objectives held by multiple actors. Next, drawing on the 2004 Time Use Survey data, I note that the commodification of women's unpaid care work through the socialization of care in Korea has not led to greater gender equality. Finally, I use the case of recent childcare policy reforms to illustrate how conflicting objectives have resulted in uneven outcomes.

Changing Dimensions of the Care Diamond: The State - A Steady Expansion

As noted above, the size of the state sphere has expanded noticeably. The state has assumed (and promises to continue to assume) more welfare responsibilities by legislating, financing, and directly providing welfare, particularly child and elderly care, through the public, market, and community sectors. For example, policies related to Early Childhood Care and Education (ECCE) have undergone some important revisions since 1990, resulting in not only the expansion of the ECCE and the reaffirmation of state commitment to equalize ECCE opportunity for all children, but also in

more integration between early childhood education (a jurisdiction of the Ministry of Education, Science, and Technology) and early childhood care (a jurisdiction of Ministry of Gender Equality and Family - MOGEF, now Ministry of Health, Welfare, and Family Affairs).¹⁹

Legislation concerning early childhood education in Korea began in 1982 with the Early Childhood Education Promotion Act, which led to a rapid growth in public and private kindergartens. The number of kindergartens increased from 2,958 (1,922 public; 1,036 private) in 1981 to 8,354 (4,602 public; 3,751 private) in 1990, and reached a peak in 1997 with a total of 9,005 (4,419 public; 4,583, private).²⁰ The kindergarten curriculum was standardized at the national level by the Education Law in 1992.

Paralleling the development in early childhood education is childcare legislation, introduced in 1991 under the Child Care Act. This legislation facilitated the development of both public and private childcare centres. The total number of childcare centres nearly doubled, from 1,919 (360 public; 39 private; and 1,520 home and workplace childcare) in 1990 to 3,690 (503 public; 1,237 private; 1,950 home and workplace childcare) in 1991.²¹ Similarly, the number of children enrolled in childcare centres jumped from 48,000 (25,000 public; 1,500 private; 21,500 home and workplace daycares) in 1990, to 89,441 (37,017 public; 36,099 private; and 16,325 home and workplace daycares) in 1991 (Ministry of Gender Equality and Family, 2007).²² After this, the number of childcare centres and the number of children enrolled in these centres increased rapidly. By 2007, the total number of children enrolled in childcare centres had reached 1,062,415, over 22-fold increase since 1990; while the total number of childcare centres increased to 29,823, an increase of over 15-fold, during the same period (Ministry of Gender Equality and Family, 2007).

¹⁹ Early childhood education (ECE) in Korea is primarily in the form of kindergartens and *hakwons* (private educational institutions specializing in English, music, arts, martial arts, etc..) and caters to infants aged 3 to 5 years; early childcare (ECC) appears mainly as institutional and home-based childcare, and caters to children aged 0 to 5 years. The main objective of ECE is education and school preparation, while ECC's is care, though since the 1990s, the two objectives have begun to merge as many ECE and ECC institutions are providing both education and care. A current policy issue in Korea is the institutionalization of these two separate and often private systems into a public education system.

²⁰ There has been a small decline in the number of kindergartens and children enrolled in them since 1997, partly because of the decline in the total number of children and partly because of the number of children in childcare centres.

²¹ Such a huge increase in the number of child care centres may be hard to believe, but is indeed the case. Perhaps many private child care arrangements were already in place, but were not registered through the government certification and licensing system. The formalization of the national childcare legislation may have prompted the registration of private child care centres in national registry.

²² Home day care is a home-based day care or playroom often provided by child minders in their own homes with small number of children as an alternative to large institutional childcare. Home childcare is also mandated to care only children two years and under. Workplace day care is often institutional based day care provided by employers for children of employees, located in the workplace or in company housing compounds.

Private childcare centres do not necessarily mean private for-profit business.²³ In fact, a significant proportion of “private” childcare centres are run by not-for-profit organizations, such as religious-based NGOs and other registered non-profit corporations. Currently, of all childcare centres, only 5.6 percent (1,670 out of 29,823) are truly *public*, the rest being private for-profit and non-profit centres. In terms of the number of children enrolled in childcare centres, only 11 percent of all children enrolled (117,126 out of 1,062,415) are in public childcare centres. The distinguishing feature of the public childcare centres is that they are considered pure public institutions. Childcare workers in public childcare centres are thus considered public servants.

Both public and private childcare centres are regulated by the Child Care Act. They are government inspected, and must report to the Ministry of Gender Equality and Family (this jurisdiction was moved to Ministry of Health, Welfare, and Family Affairs in 2009) to receive government subsidies. Childcare fees in Korea, for both private and public childcare centres, are regulated and standardized. Parents can choose either public or private childcare centre and pay pre-set childcare fee according to their income levels. The government then reimburses childcare centres for the cost of childcare on a per capita basis. Many parents prefer to send their children to public childcare centres, not because of the cost differential, but because they believe these centres provide better quality childcare. In short, the Korean government regulates and delivers childcare services either directly through public childcare centres or by contracting out services through private childcare centres.

State policies concerning ECCE changed decisively after 1997, when the Presidential Commission on Education Reform introduced A Plan for Educational Reform to Establish a New Education System. The Plan proposed the establishment of a new public pre-school system for children aged 3 to 5 that will integrate early childhood education and early childcare. Pointing out that early childhood education is “the best educational investment” a country can make in “building a foundation of holistic development of human beings,” the Presidential Commission saw the integration of early childhood education and child care as a way to lessen families’ financial burdens and to raise women’s social and economic participation (Presidential Commission on Education Reform, 1997, cited in Na and Moon, 2003). The proposal also emphasized creating a level playing field by giving priority to children from disadvantaged and low-income families to access ECCE programmes, and to ensure at least one-year free pre-school education for all 5-year

²³ The childcare centres referred to here are those falling under the Child Care Act, which falls within the jurisdiction of the Ministry of Health and Welfare, not early child education institutions such as kindergartens and play groups.

olds. This was followed by a plan to achieve a 100 percent pre-school enrolment rate for 5-year olds by 2005 (UNESCO, 2006).

Unfortunately, the government was not able to achieve the target figure due to a combination of fiscal constraints and resistance from small-scale care service providers, *hakwons*, and the Ministry of Health and Welfare (UNESCO, 2003 a, b). According to the OECD database, the enrolment rate of children under the age of 3 in childcare centres was 19.9 percent, and the combined enrolment rate of children in childcare centres and pre-schools was 59.5 percent, 66.4 percent, and 88.7 percent for 3, 4, and 5 year-olds, respectively in 2004 (OECD, Family and Education Database).²⁴

The revisions of the Early Childhood Education Act in 2004 and Child Care Act in 2005 (renamed the Second Scheme for National Childcare Support Policy, or *Saeromaji* 2010, in 2006) led to the establishment of various interministerial and national-local ECCE related committees, such as Childcare Policy Mediation Commissions (Office of the Prime Minister), Central Childcare Policy Commission (MOGEF), and Regional Childcare Policy Commission (Seoul, metropolitan cities, Do, city/gun/gu) to develop more effective ECCE programmes. The MOGEF also took over the coordination of the implementation of national childcare policy. Both the national and regional governments assumed more responsibilities for ECCE, including up-to-date childcare related funding and increased certification requirements for ECE teachers, childcare staff, and facilities. The target for nation-wide free education for all 5-year-olds was reset to 2010. Notwithstanding the nation-wide free education for all 5-year olds, the Korean government estimates a significant increase in children's enrolment rate in ECCE institutions over the next 15 years as a result of public investment (Table 7). National government budgets for ECE and childcare have increased markedly, with ECE budgets more than doubling, from 356 billion Won in 2002 to 886 billion Won in 2006, and childcare nearly quintupling, from 435 billion to 2,038 billion, in 2002 and 2006, respectively (see Table 8 for national budget for ECCE programmes between 2005 and 2006). The total national budget for ECCE programmes thus increased from 0.12 percent to 0.349 percent of GDP.

The increase in state support for childcare is reflected in a decline in the ratio of parents' out-of-pocket payments and an increase in the number of families receiving financial assistance. For example, the ratio of parents' out-of-pocket payment in childcare declined to 46 percent of total childcare cost in 2007 (Choi, 2008). As shown in Tables 9 and 10, the government introduced

²⁴ Differences between the OECD calculation and the Korean calculation are illustrated in Table 7.

financial support for childcare and kindergarten on a sliding scale based on household income, in addition to the basic subsidy for children aged 0 to 2 years. A number of tax benefit programmes have been introduced to help families with pre-school children, including: 1) an annual income tax deduction of up to 1-million Won per child for families with children under 6 years; 2) a deduction of 2.5 million Won from annual taxable income for families with two or more children under 20 years of age; 3) an annual income tax deduction of up to 2 million Won for education fees for families with children 3-5 years old attending kindergarten and childcare facilities; 4) an annual income tax deduction for medical expenses for children in amounts exceeding 3 percent of income; and 5) a tax exemption for up to 100,000 Won per month of childbirth and childcare allowances paid by employers (Korea Institute of Child Care and Education, 2008).

The renewed public support for childcare is evident in the increase in the proportion of children receiving *childcare subsidies*. The 2005 and 2006 data show that 43.4 percent and 50.7 percent of children between the ages of 0 and 5 enrolled in childcare centres received childcare subsidies, respectively (Korean Educational Development Institute, 2008). The government promises to extend the childcare allowance to 80 percent of all families with children under the age of 5 by 2010 (Korea.net, 2006b). To meet the growing childcare needs, 2.6 billion Won were allotted in 2007 to provide low-cost babysitting services and nighttime babysitting services for families with children between the ages of 3 and 12 months (Chosun Daily, 2007).²⁵

In addition to childcare, a number of work-family harmonization policy reforms have been introduced since 2000. For example, the 2001 Maternity Protection Act (a reform of maternity and parental leave legislations within the Labour Standard Act, Equal Employment Act, and Employment Insurance Act) extended paid maternity leave from 60 to 90 days (at 100 percent wage replacement), and introduced financial support for parents taking one-year parental leave.²⁶ In 2005 the maternity leave legislation was revised again, this time, shifted the financial burden of wage replacement from the employer to the state and social insurance.²⁷ The government set aside approximately 10 billion Won (US\$10 million) in 2007 and 90 billion Won (US\$90 million) in 2008, targeting small and medium size companies (Korea Net, 2005). To encourage parents to take parental leave, a monthly flat-rate wage replacement of 300,000 Won (or approx. \$250 US, in 2003)

²⁵ Choi (2008) argues that although the Kim Dae-jung government emphasized gender equality by improving women's right to work, it was under the Roh Moo-hyun administration that more concrete work-family reconciliation policies began to be implemented.

²⁶ Although fathers are encouraged to take parental leave, Korea has yet to introduce a formal "daddy leave" policy. Parental leave systems are transferable between the two parents.

²⁷ The change came as a result of high non-compliance rates by employers, particularly those in small firms, and of employer discrimination against hiring women. Employers' resistance stemmed from their legal obligation to pay 60 of the 90 days of wage replacement during maternity leave (Chosun Ilbo, 2003).

per month was added to the remaining 9 months of parental leave in 2004. This rate was subsequently raised to 400,000 Won (\$400 US) in 2006 and 500,000 Won (\$500) in 2007. The wage replacement of 300,000 Won in 2003 came to about 10 percent of the average urban household income.²⁸ In the latest round of reforms in 2006, the government extended the period of parental leave from 1 to 3 years for public servants (Korea Net, 2006). Other programmes such as “no over-time on the 6th of every month” campaign²⁹ and “daddy quota” scheme in parental leave have been also introduced since 2006 to ensure a more equitable sharing of care responsibility between men and women (Choi, 2008).³⁰

On the employment front, some attempts have been made to recast the male breadwinner model into a dual earner model. The comprehensive women’s workforce development plan, 2006-2010, introduced by MOGEF in 2006, for example, seeks to activate women’s employment and to support their human capital development through legislative reforms, such as the Equal Employment Act and legislation to support enterprises owned by women. Affirmative Action for women in the labour market was introduced in March 2006, specifically aiming to eliminate discrimination against women in hiring and promotion. It is currently applied to workplaces with 500 employees and more on a full-time basis (Choi, 2008). Self-Reliance Support Programmes were instituted within the National Basic Livelihood Security (NBLs) Programme to help recipients of NBLs income support, particularly lone mothers, achieve paid employment. In addition to free childcare, women are given job training, support for job placement and job finding, vocational training, and support for business start-ups. Data show that in addition to NBLs income support (provided to over 54 percent of lone-mother and over 50 percent of lone-father families), the government increased its budget for other programmes related to single parent families by about 50 percent between 2005 and 2006.

The latest expansion of the state role in social welfare in Korea was the introduction of Elderly Care Insurance in July 2008. It covers the long-term care needs of people over the age of 65, and all age-related long-term care services to people under the age of 65 in both domiciliary and institutional settings. The insurance fee of 4.7 percent of wage is added onto the existing health insurance contribution. Elderly Care Insurance provides care to approximately 3.5 percent of all elderly; it will gradually expand its provision to two thirds of all seniors (National Welfare Centre,

²⁸ In 2003, the average nominal monthly income for urban salaried and wage earners’ households with two or more people was 2,940,000 Won (KNSO, 2004).

²⁹ “Six” sounds very similar to pronunciation of “raising (children)” or “taking care of (children)” in Korean.

³⁰ Daddy quota is a parental leave policy specifically targeted to fathers, and is not transferable to mothers. It was designed to encourage fathers to take time off work to care for their young children.

2006). In sum, the recent trajectory of social welfare reforms in Korea – ECCE, family-work harmonization, and elderly care – indicates an expansion of the state role in financing and regulating social welfare and care.

Changing Dimensions of the Care Diamond: The Market - Repositioning within the Care Diamond

The highly regulated market in Korea has been repositioning itself. Once the source of stable employment for male breadwinners, it is becoming the supplier of new social and care services and a source of service sector employment for women. This change stems from a combination of post-economic crisis labour market restructuring and active welfare policy reforms introduced in synch with family-work harmonization and social care policies.

One of the most dramatic outcomes of the post-economic crisis labour market restructuring in Korea was the relaxation of the employment protection that had, on the one hand, sustained the dual labour market; but on the other, ensured employment security and a family wage for male breadwinners.³¹ The relaxation of employment protection thus implies the possibility of breaking down the dual labour market structure that discriminates against women and other workers outside the core labour force. At the same time, it may undermine the most important form of social security for Korean families, namely, the employment security of male breadwinners. A steady push towards labour market flexibilization actually began in the 1990s, with the unsuccessful labour legislation reform of 1996 by the conservative Kim Young-Sam government (1992-1997) (ICFTU, 1997). The Labour Standard Act amendment of 1998 was therefore a follow-up to a process that was already established before the Asian economic crisis.

The 1998 amendment nearly did away with the *de facto* lifetime employment system in exchange for increased political rights for labour and the expansion of social security and social welfare. It allowed “urgent managerial need” as a justifiable reason for layoff, it permitted employers to hire more non-standard workers, and it legalized temporary dispatch work through temporary employment agencies. The outcome of labour market flexibilization was the undermining of employment security, without breaking down the dual labour market. Indeed, it may have deepened the dual labour market structure by shrinking the core labour market, and throwing an

³¹ By “dual labour market,” I mean a structural bifurcation of the labour market into “core” and “periphery,” with the core consisting of regular, full-time employment, often accompanied by union representation, family wages, and generous company welfare, and the periphery consisting of non-regular and informal employment, often characterized by the lack of union representation, lower wages, precarious working conditions, limited social insurance coverage, and limited access to company welfare benefits. In addition to the core-periphery and regular-non-regular employment divide, significant differences in wage and employment conditions exist between large and small-and-medium enterprises. In Korea, the peripheral labour market tends to be made up of small and medium size companies and informal sectors where the majority of women workers are found.

even greater proportion of workers to the periphery. The proportion of standard (regular) workers as percentage of all waged workers declined from 56.8 percent in 1996 to 47.9 percent in 2000, recovering slightly to 52.8 percent in 2008 (KLI, 2006). As illustrated in Table 11, in 2005 only 25.0 percent of female urban employment and 40.2 percent of male urban employment in Korea could be considered “core” employment.

To compensate for the breakdown of the employment protection system, the government introduced a number of active welfare programmes, which included the expansion of social insurance, social welfare, and employment and job-focused support programmes (Korea, 2000). As discussed earlier, both the Employment Insurance and Workers Compensation Insurance were extended to workers in small and medium size companies, and later to non-standard workers such as contract and part-time workers. In the case of Workers Compensation Insurance, the coverage was extended to self-employed and family workers as well. The national pension system was extended to the urban self-employed in 1999, the last remaining group of people without a pension scheme, broadening coverage to over 9 million new members and universalizing the system.³²

As the result of social security expansion the percentage of social spending to GDP rose from 3 percent to 9 percent between 1995 and 1999. The public expenditure for unemployment (unemployment benefits, not total employment support) rose by nearly 100-fold, from 10.46 billion Won in 1996 to 1,030.3 billion Won in 2003, while the expenditure on the active labour market (job creation, employment support, etc.) increased by about 30-fold, from 118.8 billion Won in 1996 to 3,346.8 billion in 1999, before declining to 1,141.1 billion Won in 2003 (OECD, 2008).

The government has invested a significant amount of money in childcare as discussed above. Most childcare services are provided by (and are expected to be provided by) private for-profit and non-profit sector providers. Similarly, the Elderly Care Insurance services are expected to be provided primarily by the market and community sectors, through private for-profit, non-profit, and community-based voluntary organizations.³³ The expansion of state welfare in Korea is therefore hardly market challenging; to be sure, the new welfare mix is positively market enhancing. Rather

³² Although attempts have been made to universalize social insurance, some programmes are far from universal; while systems have been put in place, it will take time to achieve maturity. For example, the Korean Institute of Health and Social Affairs’ (KIHASA) calculation of National Pension individual beneficiaries among 65+ population (not including widows’ pensions) shows 37.8 percent beneficiary coverage for men and 4.5 percent for women in 2007. It is estimated that these proportions will increase to 66.2 percent for men and 14.1 percent for women by 2020, and 84.5 percent for men and 25.0 percent for women by 2030. The main reason for the significantly lower NP beneficiary rate for women is the low pension enrolment rate amongst women until recently and the mandatory minimum 25-year maturity for pension benefits (KIHASA, 2007, calculation by Suk-Myung Yun, Director of Pension Research Department, KIHASA, and interview with Suk-Myung Yung, Dec. 17, 2007).

³³ Interview with Se-Kyong Park and Hyekyu Kang, KIHASA, 17 December 2007.

than taking over the market function, social welfare policies under both Kim Dae-jung and Roh Moo-hyun governments have sought to facilitate and enhance the market role by investing in social welfare and care services that are largely delivered through the market. So much so that in response to concerns about low economic growth rate (about 4 percent per year since 2002!), low fertility and rapid ageing, and growing labour shortage, the Roh Moo-hyun government has been re-framing its social welfare expansion policies not only as family-friendly social policies, but as family-friendly *economic policies*, in essence, selling social services as potential “growth engines” for the new economy (Lee, 2008).³⁴

Changing Dimensions of the Care Diamond: Family - Reduced Care Burden; Increased Work Expectation

Although yet to be reflected in the 2004 Time Use Survey, the increase in the state support and commitment to social welfare and social care promises to relieve the family (i.e. women) of some of the care burden. This promise is, however, offset by an increased pressure on women to work. The breakdown of the traditional male breadwinner household model resulting from the erosion of employment security for men has created multiple pressures on the family and women.

First, the decline in family income immediately after 1997 added pressure to women to go out and work. For example, the average monthly income for urban wage earners' households dropped by about 7 percent, from 2,287,300 Won (about US \$2,287) in 1997 to 2,133,100 Won (US \$2,133) in 1998. Even with the improved situation after 2000, norms of dual income households and expectations of women's life-long employment have taken hold (Na and Moon, 2004). The percentage of people believing that women devote themselves only to housekeeping declined from 21.1 percent in 1991 to 8.1 percent in 2002. Those who believed that women should work only until they marry fell from 20.2 percent to 5.2 percent between 1991 and 2002; while those who believe that women should work throughout their lives increased from 13.7 percent to 35.4 percent (KNSO, 2002). A recent survey by Korea Institute of Health and Social Affairs (KIHASA) showed that over 80 percent of young men preferred to marry working women.³⁵

Second, the employment insecurity for both men and women has created a climate of insecurity for young people. Studies suggest that the shift in public attitudes towards life-long employment has led to low fertility. A survey by the Presidential Committee on Ageing Society and

³⁴ Also interviews with Hyekyung Lee, Chairperson, Presidential Commission on Social Inclusion, 18 December 2007, and Bong Joo Lee, Professor, Seoul National University, 19 December 2007.

³⁵ Interview with Seung-Ah Hong, Ministry of Gender Equality and Family, 14 December 2007.

Population Policy found that the most important reasons for young people deferring marriage – the main cause of fertility decline – were housing shortage and employment insecurity.³⁶ The total crude marriage rate in Korea declined from 388.6 per 1,000 in 1997 to 304.9 per 1,000 in 2003. During the same time, the marriage rate for first-time marriage fell from 345.6 to 253.3 for men and 343.2 to 247.6 for women. The average age at first marriage for men increased from 28.6 years in 1997 to 31.1 in 2007, while that of women rose from 25.7 to 28.1 (KNSO, 2008).

The pressure on women to work is, however, complicated by pervasive discrimination against women in the labour market. Rather than breaking down the rigidity of dual labour market structure, labour market flexibilization led to a reduced number of regular full-time jobs and opened up the non-regular employment sector into which women are drawn.

Notwithstanding the adverse effects of post-economic crisis labour market restructuring on women, Kim and Voos (2007) note that the outflow of younger women and women in pink-collar jobs post-1997 has been offset by the simultaneous inflow of older and married women into the labour market (often in the low wage and non-regular employment sector). For example, the number of employed women in their 20s declined from 2.215 million in 2001 to 2.128 million in 2006, while that of women in their 40s and 50s increased from 3,423 million to 4,117 million (Ministry of Labour, 2007).³⁷ The KNSO survey shows that nearly 74 percent of women non-regular wage workers in 2006 were married.

The change in employment patterns of women mirrors the more profound change noted above, namely the shift from manufacturing to service sector industry since the 1990s. The number of people working in service sector industries increased from 10.7 million in 1991 to 16.4 million in 2004, whereas the number working in mining and manufacturing industries declined from 5.2 million to 4.3 million.

Non-standard employment is precarious because of lack of employment security, limited (though increasing) social insurance coverage, and low wage. The OECD data suggest that the wage gap between temporary and regular workers in Korea is about 30 percent, in the middle range of

³⁶ Korea Institute of Health and Social Affairs (KIHASA) has begun a project called “Social Services Industries Welfare” in 2006 in response to the Ministry of Health and Welfare and the Ministry of Labour’s concerns about high unemployment rate. The project analyzes the impacts of social service expansion in reducing unemployment and increasing women’s employment rate (interviews with Se-Kyung Park and Hyekyu Kong, KIHASA, 17 December 2007. Also, interview with Joo-Hyun Park, Secretary General, and Chairman of Operating Committee, Presidential Committee on Ageing Society and Population Policy, 17 December 2007.

³⁷ This could be because more young women opt for higher education. The Ministry of Education’s data show a sharp increase in the number of female students registered in higher educational institutions after 1997. Between 1996 and 1997, the number rose from 940,175 to 1,049,907. In 2005, 1,399,931 female students were registered in higher educational institutions (MOEHRD, 2005).

OECD European countries (Grubb, Lee and Tergeist, 2007).³⁸ In addition to wage disparity, there are noticeable differences in the non-wage welfare benefits between regular and non-regular workers and between workers in large and small-medium companies. Since most non-standard workers are found in small and medium size firms, and since most women who are non-standard workers work in smaller establishments, their access to welfare benefits is limited. Given the low wages and poor working conditions, the expansion of employment opportunities for women outside the household remains a poor substitute for the employment security afforded to male breadwinners under the old system.

In sum, while the recent social policy reforms promise to alleviate the family's care burden through the extension of social care and social welfare, this may not necessarily mean a reduction in the total amount of work assumed by the family, in particular, women. On the contrary, the increased expectation that women (particularly married women) will work suggests that the expansion of the state and market sectors in the care diamond may, in fact, mask a substitution effect within the family as women's uncommodified care work within the household is being supplemented by their commodified (care) labour in the labour market. This raises two important questions: first, to what extent will the replacement of women's uncommodified labour within the family with commodified labour in the market translate to gender equality; and second, to what extent will the expansion of the state and market provisions of care and other social services reduce the total amount of work assumed by women within the household and in the labour market?

As to the first question, the continuing peripheralization of women in Korea's dual labour market suggests that increased commodification of women's labour is unlikely to lead to women's full financial autonomy and economic independence from the family, particularly if they are married and/or have children. On the second question, even though it is premature to make conclusions about the impacts of policy changes on gender differences, our analysis gives us little confidence that the distribution of unpaid care work between men and women within the household will change in the near future. Given that the state and market will never be able to provide all the care work, it is quite possible that women will continue to take on a larger total work burden than men.

Changing Dimensions of the Care Diamond: Community: New Expectations

³⁸ In Korea, the wage differential between regular and non-regular workers is complicated by the wage differential between companies based on company size and union membership. While non-regular workers are generally paid lower wages than regular workers, some regular workers in small and medium size firms may be paid lower wages than some non-regular workers in large companies. Similarly, while unionized non-regular workers may be paid lower wages than unionized regular workers, their wages are higher than non-unionized non-regular workers.

In the context of the new care diamond, the community sector is charged with a much greater role in organizing and providing social welfare and care. This change has come about as a result of the combination of increased state expectation of community participation in social development, and the progressive decentralization of social welfare and social care programmes since 2003.

For one thing, the state has begun to focus on the community as a new site of social development, as evidenced by the national development plan, Vision 2030. Based on the idea of intersecting circles of economic growth and social welfare development, Vision 2030 emphasizes the positive contribution of welfare to the country's social and economic development. This concept emerged from a process of policy rethinking within the Roh Moo-hyun government shortly after it took over. Faced with high unemployment, low economic growth, low fertility, rapid population ageing, and increased global economic competition, the government was forced to recast the "productive welfare policy" paradigm it inherited from the Kim Dae-jung administration which focused on labour market restructuring and broadening and consolidating the existing social insurance system.

Two streams of thinking merged in the process of the policy rethink: a revised version of the productive welfare and the idea of social capital. In regards to the first, many economists argued that the productive welfare policy under the Kim Dae-jung administration was "inconsistent" and "old-fashioned" (Cho, 2005: 84). The government was urged by policy bureaucrats from economic ministries, such as the Ministry of Planning and Budget (formally, the Economic Planning Board and the Ministry of Finance), Ministry of Labour, and Korean Development Institute, to adopt a more "market-friendly productive welfare policy." Their views were supported by international organizations; for example, the OECD recommended further governance and financial reforms, along with income and social service support to new labour market entrants, such as women, youths, and workers with dependent children. Policy recommendations from this group of like-minded economic policy experts included the following: a focus on job creation, particularly targeting the "knowledge-based economy" (i.e. service sector and skilled workers); further expansion and refining of social safety nets, for example, by extending social insurance coverage to non-regular workers and creating more work incentives within the NBS system; more labour market flexibility; and increased support for human capital development through education and training (Cho, 2005; Sul, et. al., 2006).

The second perspective came from those concerned with the decline of social cohesion and social capital in Korea. The growing income inequality and social exclusion post-1997 emerged as a major policy issue, so much so that the President created the Presidential Committee on Ageing

Society and Population Policy in 2004, and the Presidential Committee on Social Inclusion in 2005. These committees were charged with developing and coordinating social policies across different ministries to deal with issues of fertility decline, population ageing, and social inequality. The Presidential Committee on Social Inclusion was also charged with two huge and contentious tasks – reducing poverty and reducing discrimination, both of which involved multi-sector policy cooperation and the application of multiple policy levers in areas like social welfare, labour market and employment, family, and gender equality, and required significant community participation.³⁹

Studies had found that civil society organizations in Korea, while extremely effective in utilizing a “nationwide solidarity” strategy to push for policy change, failed to bring about environmental and socio-cultural improvements in level of social trust and civic participation (Joo, Lee and Jo, 2006). International comparative studies of social capital showed that the level of social trust amongst Korean people was extremely low and highly particularized. Korean people’s trust in public institutions, such as national associations, government institutions, the judiciary, and educational institutions, had declined since 1981. The level of civic participation in volunteer activities was low compared to other OECD countries and had continued to fall. In short, social trust in Korea was at one of the lowest levels in the OECD (Kim, 2006; Joo, Lee and Jo, 2006). Like Japan, the issue of social cohesion has a particular resonance in Korea because of the post-World War II national narrative of Korea as a homogeneous and relatively equal and cohesive society. The findings and the idea of Korea’s declining social cohesion thus fell on receptive policy ears within the government, and prompted calls for policy interventions to resuscitate the deteriorating state of social capital. These included governance reforms, increased public investments to promote public participation in civic associations, more support for NGOs, and investment in communications and community infrastructures that would facilitate civic engagement.

Vision 2030 came out of the Ministry of Planning and Budget, which while dominated by economic bureaucrats, featured an interministerial group in the policymaking process. It therefore required some degree of consensus amongst different ministries, including Ministries of Health and Welfare, and Gender Equality and Family, which did not share the views on social policies held by the Ministry of Planning and Budgets. Vision 2030 thus incorporated two sets of ideas – the new version of productive welfare and social capital investment. Despite their apparently widely divergent policy ideas, the ministries’ views converged on a common point: the need for increased local and community role in social development. As Hyekyung Lee, Chairperson of the Presidential

³⁹ The Presidential Committee on Social Inclusion was institutionalized into Ministry of Planning and Budget in 2006.

Committee on Social Inclusion, notes, the future direction of social services in Korea cannot be accomplished by simply raising social spending; it requires the increased participation of civil society. Pointing to Korea's history of dependence on overseas assistance since 1945, which led to the prohibition of non-government supported charity work, and the undermining of the domestic charity and voluntary sector during the authoritarian period, Lee argues that social integration can be achieved through civil society engagement in social services (Lee, 2007). Social investment therefore must take into account social development at community level.

Whereas Lee and other social policy advocates see civil society engagement in social welfare as an important mechanism for promoting civic participation and social integration, many economic bureaucrats see it in the light of economic productivity and efficiency. As one of the Vision's main institutional sponsors, Korean Development Institute, points out:

Vision 2030 stresses overall economic productivity. Its strategies include transforming the economic structure to improve service sector productivity, the future source of wealth; investing in research and development for technological innovations; investing in human capital to enhance labor productivity; investing in social welfare to guarantee stable livelihood as a way to heighten labor productivity; and boosting economic efficiency through proactive globalization. (Suh, Jung-hae, 2007)

In either case, social capital emerged as a base for the national development strategy. As Kim (2006) concludes, social capital and national development are implicitly linked because a prosperous and decent society necessarily requires "nurturing new engines of growth, development in human capital, expansion of social safety nets, investing in social capital and active globalization."

Along with the policy focus on social capital development, the decentralization of social welfare and services from the national to local/community level has enhanced the role of local governments and the community in provision of social welfare and care. Since 2005, the Roh Moo-hyun government has been progressively downloading central government responsibilities onto local and regional governments through legislative reforms and fiscal transfers. A good example of this is the ECCE policy. As the central government increases its financial support to local governments,⁴⁰ local governments are expected to provide more ECCE spaces and centres for children. At the same time, the local government is mandated to expand their ECCE programmes,

⁴⁰ The central government increased its financial support for ECCE by raising its total funding contribution from 29.8 percent of total national ECCE funding in 2002, to 33.6 percent in 2006 (Korea Institute of Child Care and Education, 2008).

and to improve childcare and early childhood education system by implementing new accreditation and evaluation systems for childcare centres and kindergartens (Rhee, 2007).⁴¹ Community and businesses are encouraged to participate in the emergent social service market, including childcare; local entrepreneurs, parents, and businesses are encouraged to provide childcare services through legal mandates, financial incentives, and support for creation of social enterprises.⁴² More specifically, the Second Scheme of National Childcare Support Policy (*Saeromaji 2010*), established by the Presidential Committee on the Ageing and Future Society in 2006, has, in addition to introducing childcare subsidies for parents, imposed a new requirement on companies with more than 300 female employees or more than 500 employees, regardless of the gender composition of the employees, to provide childcare facilities in the workplace, thus raising the number of companies mandated to provide workplace childcare from 278 in 2005 to 824 in 2006. In exchange for providing workplace childcare, employers are given financial support to set up childcare spaces within workplace.

The local and community responses to childcare expansion have been so far mixed. While some local governments are refusing to invest in social welfare and social care infrastructure because of the large capital commitment,⁴³ the number of home day care centres, private home-based childcare services that cater for 5 to 20 children, has increased rapidly. There is a concomitant emergence of parent co-op day care centres, a totally new kind of childcare institution. In the home day care situation, women often use their homes to provide care for children in the local community, and receive financial support from the Ministry of Health and Welfare pro-rated to the number of children in their care. Between 2002 and 2007, the number of home day care centres increased from 7,939 to 12,360. Sixty-two parent childcare co-ops have been created since 2004 (Korea Institute of Child Care and Education, 2008). Given the projection of a steady increase in the number of children enrolled in childcare over the next decades, and given the continuing increase in the government funding of ECCE, we anticipate a parallel increase in the number of community based childcare providers.

In sum, although slow to react, the community sector is beginning to expand its role within the care diamond in Korea. Given the recent push on the community to take on a larger social welfare role, we may see a positive increase in the community's role in social care.

⁴¹ The Roh Moo-hyun government has offered fiscal support to local governments to take on other social welfare services, such as welfare institutions, job training centres, and elderly care.

⁴² Social enterprise is defined as “a social purpose enterprise, using business tools and techniques to achieve explicitly social aims, that has many characteristics that are similar to an SME” (Noh, 2005).

⁴³ Interview with Hyekyung Lee, Chairperson, Presidential Committee on Social Inclusion, 18 December 2008.

The government's expectation of an increased community role in social welfare and social care is a part of a productive welfare policy strategy introduced by the Kim Dae-Jung administration, elaborated upon and enlarged by the Roh Moo-hyun regime.

During the Kim Dae-Jung government, self-reliance programmes – job creation programmes for able bodied public assistance recipients – were introduced within the National Basic Livelihood Support (NBLS) by the Ministry of Health and Welfare. At the time, the self-reliance programme was regarded as a welfare-to-work programme targeted to a small group of NBLS recipients. These job creation programmes were often run by social enterprises – hybrid businesses that had characteristics of both non-profit organizations and for-profit enterprises, often created through public-private partnerships. These social enterprises often received financial support for capital and operating expenses from the government, as well as tax reduction and support for social insurance premiums. In return, they functioned as job creation centres, providing jobs and training for the unemployed.

In light of high unemployment and the low rate of job-increase, President Roh Moo-hyun pledged in his 2006 New Year's announcement to create more jobs, primarily through the expansion of the social service sector, to deal with social polarization. This set the stage for the subsequent government effort to develop a social enterprise based job creation scheme. The President's pledge for job creation was reiterated by a 2007 government pledge to create 800,000 jobs in the social service sector, and was followed by the Social Enterprise Promotion Law in the same year. The Social Enterprise Promotion Law formalized state support for social enterprises and opened the door for businesses to apply for certification as a social enterprise (Korea Foundation for Working Together, 2008). Even before the enforcement of the Social Enterprise Promotion Law, however, the Ministry of Labour initiated a project to create social service jobs by providing grants to NGOs in 2003. This project, which began as the Ministry of Labour's social service job creation project with an annual budget of 7.3 billion Won in 2003, had evolved into a multi-ministerial collaboration involving 11 government ministries with a total budget of approximately 1.3 trillion Won by 2007 (Ministry of Labour, 2008). The role of the community and NGOs in providing social services and care is underscored by the Ministry of Labour's rationale for supporting social service job creation:

Creating social service jobs has boosted our economy's growth potential as it has helped the not economically active population, including housewives and the aged, to be brought into the economically active population. In particular, providing social services, such as child caring, housekeeping and patient caring, have liberated women from domestic work, which in turn, has increased employment. The project to create social service jobs has not

only created jobs for vulnerable groups of workers, ... (but) has also played the role of providing social services which are in short supply, thereby largely contributing to supplying social services for low-income lower middle classes who want to get such services but have little purchasing power. The project has a great significance in that it has opened up new horizons by creating jobs in the social service sector, which is often called the third sector beyond the private and public sectors and need to expand its share of employment, through cooperation between NGOs and the government. (Ministry of Labour, 2008, <http://english.molab.go.kr/english/Employment/print.jsp>, accessed 17 June 2008)

Multiple Actors and Conflicting Objectives: Case of Childcare Policy

While it is clear that the care mix in Korea has become more complex as a result of the increased state role in regulating, financing, and directly providing social welfare and care, and as a result of simultaneous changes in the market, family, and community sectors, the dynamics of the changes have not always been either coherent or self-evident. Indeed, a closer examination of the political economic dynamics of social policy reforms shows that these changes have resulted from active policy contestations amongst multiple actors with often conflicting objectives. In this section I examine the political economic processes involved in recent childcare policy reform to illustrate the complexity of the social policy reform process. I choose childcare policy reform, first, because it is central to the Roh Moo-hyun government's family-work harmonization policy and an excellent example of the recasting of the earlier productive welfare policy paradigm of the Kim Dae-jung administration; and second, because as a policy sector, it is small enough to allow in-depth examination.

Childcare policy reform is central to the Roh Moo-hyun administration's Vision 2030 Plan cited above. It addresses key policy issues – high unemployment, low economic growth, low fertility, rapid population ageing, and increasing globalization – and it embodies the principle of social and economic development through social and human capital investment. Simply put, the childcare policy reform serves as an excellent barometer of policy change during the five years of the Roh Moo-hyun administration.

The Roh Moo-hyun government came into power in 2003 with much public expectation and facing a large political challenge. In defiance of the conservative Grand National Party's attempt to make a comeback at the end of the Kim Dae-Jung's term, Korean voters opted for another outsider, Roh Moo-hyun, who promised to improve the governance structure and deepen civil society

participation in political and policy processes – what he called “participatory democracy.”⁴⁴ The transition to the Roh Moo-hyun administration was far from smooth. After the euphoria of post-crisis economic recovery (1999 to 2002), the country woke up to the reality of the end of rapid economic growth. The economic growth rate dropped to 3.1 percent in 2003, the lowest since 1998, and remained low at around 4 percent for the next five years. The public frustration at the apparent lack of improvement in economic condition was compounded by growing awareness of economic inequality and poverty despite the welfare state expansion. Earlier public support for the government’s pro-welfare policies was gradually replaced by criticism of the government’s inability to manage economic recovery. Media attention shifted to the Roh Moo-hyun administration’s lack of understanding about economy and political diplomacy. Public support for the President declined as public anxiety over high unemployment and low economic growth grew. The Roh Moo-hyun administration was thus faced with a need to move beyond the Kim Dae-jung model of productive welfare policy. In an attempt to develop more coordinated and specific policies to address the issues of economy and social inequality, the President ordered the Presidential Committee on Social Inclusion to mediate interministerial dialogue and develop a new national agenda to reduce poverty and discrimination. One of the Committee’s first issues was childcare policy reform.⁴⁵

Childcare proved to be an attractive social policy agenda because it addressed a number of important policy concerns shared by the interministerial group members, including low fertility, population ageing, gender equality, job creation, and support for service sector industry. More to the point, if carried out well, child care policy reform could satisfy the public demand for economic growth and social welfare. While all the members in the interministerial group agreed on the expansion of childcare, opinions on how to achieve it differed widely. Ministry of Gender Equality and Family supported a proposal to introduce universal public childcare made by Korean Women’s Development Institute (KWDI), the policy research think-tank affiliated to the Ministry of Gender Equality and Family, and Ministry of Health and Welfare.⁴⁶ The KWDI’s research had found significant public dissatisfaction with the existing childcare policy. Most mothers they surveyed felt that government childcare subsidies were too low, and there were not enough *public* childcare centres, the favourite choice of all mothers. The KWDI’s care paradigm was also informed by social democratic exemplars like Sweden and Denmark. Their idea of a family care regime thus implied

⁴⁴ This concept of embedding civil society into policy processes became part of the regime’s “participatory welfare.”

⁴⁵ At the same time, other committees, such as the Presidential Committee on Ageing Society and Population Policy, were engaged in childcare policy discussions.

⁴⁶ Interview with Seung-Ah Hong, Fellow, Family Policy Research Centre, Korean Women’s Development Institute, 14 December 2007.

socialization of care, through publicly provided childcare. They argued that it would be more cost-effective for the government to provide public childcare services rather than using subsidies because of the low transactional cost – the infrastructure for such services already existed.⁴⁷

The KWDI, MOGEF and MOHW held numerous meetings over childcare strategy but failed to come up with a unified position on the issue of subsidies versus public provision of childcare. While MOGEF was supportive of universal public childcare, its most logical policy ally within the government bureaucracy, MOHW, was divided. Within the interministerial group, a huge difference also existed between the “economic ministries” such as Ministry of Planning and Budget and Ministry of Labour, on the one side, and the “social ministries” of MOGEF and MOHW on the other. The Ministry of Planning and Budget was proposing a total deregulation of childcare, preferring the state to use subsidies and tax benefits as incentives to stimulate market demands and to increase market competition; they argued that individual needs for childcare services could be most efficiently met by the market. While not entirely convinced of the merit of public provision of childcare services, MOHW was not comfortable with the Ministry of Planning and Budget’s idea of total deregulation, worried that the quality of care might be sacrificed. The Ministry of Labour, meanwhile, saw the burgeoning childcare market as an excellent opportunity to advance its interests in job creation and employment facilitation for women.

The debate on childcare policy reform also raged outside the interministerial group as well. Most NGOs and researchers supported the idea of publicly provided childcare services, and surveys showed that most mothers preferred public childcare system. However, nearly 95 percent of the childcare providers were private sector; thus, the Private Childcare Providers’ Association presented the largest opposition to KWDI’s universal public childcare proposal. Pointing to the lack of efficiency and flexibility in the public childcare system, they put the full force of stakeholder pressure to bear on the government, asking it to not make childcare services public. The Korean Childcare Teachers’ Association (KCTA), the majority of whose membership worked in private sector childcare centres, was divided on the issue. In their view, the universal public childcare policy presented both opportunities and constraints. Making childcare centres public would imply formalization of their employment status as public service workers, which came with employment security, union representation, and higher wage and better working conditions; but it would most likely entail stricter certification requirements. In the end the KCTA accepted the position of private provision of childcare.

⁴⁷ Interview with Seung-Ah Hong, 14 December 2007. Hong was also involved in the KWDI research on childcare as a researcher during childcare policy reform in 2005 and 2006.

The interministerial processes over childcare policy reform took about a year and a half. During this time, the committee's policy proposal was given to the Vice Ministers of all the relevant ministries, discussed within each ministry, and debated within the committee before an agreement was reached and presented to the President. The President then organized an all-ministers committee meeting, inviting academics and policy experts in the childcare sector, along with members of civil society, to discuss the plan.

Childcare policy had received much political and policy attention at this point because the total fertility rate in Korea had dropped to 1.08 in 2005, a historic low, and there was collective anxiety about the future of the Korean population.⁴⁸ The government faced increasing social and political problems – not just a slowing economy and high unemployment, but also income inequality, alleged government corruption, and the lowest-ever fertility. The proposal for universal public childcare became increasingly less convincing in the face of priority policy demands such as job creation and fiscal control. Ministry of Health and Welfare lost some of its earlier vested interests in childcare when much of the family and childcare portfolio was shifted to the Ministry of Gender Equality and Family in 2005. Further, the MOHW by this time had shifted much of its attention to pension reform and the Elderly Care Insurance proposal, fiscally much larger sectors than childcare. MOHW thus agreed with Ministry of Planning and Budget's position to stay on the existing policy course, increasing childcare subsidies rather than pushing for universal public childcare. In the end, the reform resulted in a significant fiscal commitment to childcare through subsidies to parents and to businesses to establish workplace childcare, while leaving intact the structure of private sector dominated provision.

Childcare policy reform in Korea expanded through the financial broadening of subsidies to parents, and concerted multiple sector efforts to develop the childcare market. The process was far from harmonious; it involved over a year and a half of contentious political debate within and outside the government as multiple actors struggled to push forward diverse policy agendas.

4. Conclusion

This paper has examined the political and social economy of care in Korea since the 1990s. Changes in the configuration of the care diamond suggest a marked increase in state, market, and community roles in care as a result of labour market restructuring and social policy reforms. The increased public support for care in Korea, however, should not be interpreted as simply an expression of the

⁴⁸ Interview with Joo-Hyun Park, Secretary General, and Chairman of Operating Committee, Presidential Committee on Ageing Society and Population Policy, 17 December 2007.

state's intention to relieve women of family care obligations. A more careful analysis suggests a combination of both progressive and pragmatic economic motivations behind the social policy reforms. Simply put, social care reforms since the 1990s, especially those introduced after 1997, have responded to feminist and pro-welfare advocate demands for welfare expansion and greater gender equality, as well as to economic developmentalist demands for an active labour market strategy. In the latter case, the government made social investments, seeking to mobilize women's human capital and labour power in the context of a rapidly ageing population and growing labour shortages. For many feminists who supported the Kim Dae-jung and Roh Moo-hyun governments, the expansion of social care was part of a larger and more complex set of policies necessary to achieve gender equality. Their demands for gender equality and social welfare expansion were supported by parallel policy changes in the area of family-work harmonization policies, such as parental leave legislation, childcare and elderly care, and increased support for lone parent families. At the same time, these progressive changes were complicated by neoliberal labour market reforms, including the deregulation of protective employment legislations that pushed a large proportion of women and men workers into non-standard and precarious employment. From the state's point of view, however, commodifying the un-commodified care work was important in achieving two objectives: freeing women to enter the labour market to participate in other commodified labour and creating new economic growth engines through the socialization of child and elderly care.

This study of the commodification of care work in Korea raises three important issues. First, it underscores the importance of the state's social policy role in determining and defining the nature of women's work. Without the child and elderly care policy reforms and the reforms in cognate areas such as family support, employment legislations related to maternity and parental leaves, work hours, and temporary employment, the bulk of family care work would remain as un-commodified labour within the household. Social policy reforms thus provided institutional and legal conditions to externalize women's care work and facilitate commodification of their labour through participation in the labour market. However, by providing institutional and legal basis for families to externalize care, the policy reforms have created and affirmed a new normative ground for women to commodify labour. It is important therefore not to read the commodification of women's unpaid care work as the reduction of women's work. Rather, as the case of Korea shows, it implies a shift in the location and financial accounting (however imperfect) of women's work.

Second, as shown in this paper, in Korea, the commodification of women's labour is very much a response to, and understood as, an effective way for the state to address a number of socio-economic issues, including helping families deal with poverty and labour market insecurities,

dealing with low fertility (a means to encourage childbirth), and more effectively allocating human resources in a rapidly ageing society (providing a more effective system of elderly care).

Third, it raises the question of the significance of commodification of women's labour for gender equality – can it lead to reduced reliance on marriage/kin/family and enhanced power? Can the economy generate sufficient decently paid and protected employment, so that women can easily commodify their labour? So far, the evidence suggests that the commodification of women's labour in Korea has been happening in the absence of improvements in employment conditions. Indeed, recent labour market restructuring has resulted in increased employment insecurity and a worsening of employment conditions, a situation that suggests that commodification of their labour may cause more harm than good for women.

Bibliography

- Ahn, Joyup. 2006. "Nonstandard Employment Arrangements in Korea: What Have We Learned?" Korea Labour Institute.
- Anh, Miyoung. 2008. "South Korea: Analysis of Time Use Data on Work and Care." www.unrisd.org, Accessed 23 Jan 2009.
- Barrientos, Amando. 2004. "Latin America: towards a liberal-informal welfare regime" in Ian Gough ed. *Insecurity and Welfare Regimes in Asia, Africa, and Latin America: social policy in development contexts*, Cambridge: Cambridge University Press, pp. 121-67.
- Cho, Woo Hyun. 2005. "Productive Welfare: Welfare of Korea", in Lee-Jay Cho, Hyungpyo Moon, Yoon Hyung Kim and Sang-Hyop Lee, eds. *A New Paradigm for Social Welfare in the New Millennium*, Seoul: Korea Development Institute. pp. 55-98.
- Choi, Young-Jun. 2006. "Transformations in economic security during old age in Korea: the implications for public-pension reform", *Aging & Society*, Vol. 26, pp. 549-65.
- Chosun Daily. 2007. "Family Ministry to Offer Low-Cost Nanny Care", Chosun Daily, April 5, 2007.
- Chosun Ilbo. 2003. "Population in Crisis – (4) Ineffective Maternity Leave Policies", reported on August 13, 2003. <http://english.chosun.com/w21data/html/news/200308/200308130031.html>, accessed 14 March 2008.
- Esping-Andersen, Gosta. 1999. *Social Foundation of Post-industrial Economies*. Oxford: Oxford University Press.
- Grubb, David, Jae-Kap Lee and Peter Tergeist. 2007. *Addressing Labour Market Duality in Korea*. OECD Social, Employment and Migration Working Papers No. 61. Paris: OECD.
- Hankyorei, 2007. "Analysis: A look at South Korean society, 20 years after democracy", reported June 8, 2007. (<http://english.hani.co.kr/popus/print.hani?ksn=214664> , accessed: 18/03/2008).
- Heintz, James. 2008. "Employment, Informality and Poverty: An Empirical Overview of Six Countries with a Focus on Gender and Race". Draft paper, www.unrisd.org , Accessed 21 January 2009.

- Joo, Sungsoo, Seonmi Lee, and Youngjae Jo. 2006. *The Explosion of CSOs and Citizens Participation: An Assessment of Civil Society in South Korea 2004*. CIVICUS Civil Society Index Report for South Korea.
- Jung, EeHwang and Cheon, Byung-You. 2006. "Economic Crisis and Changes in Employment Relations in Japan and Korea", *Asian Survey*, 46(3): 457-76.
- Kim, Haejin and Voos, Paula B. 2007. "The Korean Economic Crisis and Working Women", *Journal of Contemporary Asia*, 37(2): 190-208.
- Kim, J., Y. Moon, Y. Kim and M. Kang. 2004. *Ten years of Employment Insurance and Female Workers*, Seoul: Korea Women's Development Institute.
- Korea National Statistics Office. 2008. "2007 Marriage Statistics", http://www.nso.go.kr/eng2006/e01_0000/e01b_0000/e01ba_0000/e01ba_0000.html?method=view&board_id=106&seq=191&num=191, accessed 14 April 2008.
- 2002. *Report on Social Statistics Survey*. Seoul: NSO.
- 2004. *Report on Social Statistics Survey*. Seoul: KNSO.
- Korea Net. 2005. "Women workers to be fully paid for maternity leave", (reported April 22, 2005) http://www.kois.go.kr/news/news/NewsView.asp?serial_no=20050421017&part=109&SearchDay=, accessed 14 April 2008. Korea Net.
- Korea Net. 2006. "Childcare leave to extend to 3 years", (reported May 10, 2006) http://www.korea.net/News/News/NewsView.asp?serial_no=20061004019, accessed 14 April 2008.
- 2006b. "Childcare allowance to be introduced in 2010 to boost birthrate", <http://www.korea.net/news/news/newsprint.asp?serialno=20060607023>, accessed 16 June 2008.
- Korea, Office of the President. 2000. *DJ Welfarism*, Seoul: Republic of Korea.
- Korea Times. 2008. "Education Spending Hits Record High", reported February 28, 2008, (<http://www.koreatimes.co.kr/www/news/include/print.asp?newsIdx=19782>, accessed 31/3/2008).
- Korean Educational Development Institute. 2008. Data on ECE and childcare in Korea, accessible through: <http://kedi.re.kr> (accessed February - March 2008).
- Korean Labour Institute. 2008. *Labour Statistics, 2007*. Seoul: KLI.
- Korean Women's Development Institute (KWDI). 2008. *Statistical Handbook 2008: Women in Korea*, Seoul: KWDI

- Kown, Huck-ju. 2001. "Income Transfers to the Elderly in Korea and Taiwan." *Journal of Social Policy*, 30(1): 80-93.
- Lee, Hyekyung. 2007. "Keynote Speech: Future Direction of Social Services in Korea", in *International Symposium: Social Service Provision System: The Issues of Public-Private Partnership in Korea*, Seoul, 11 – 12 December, 2007.
- Lee, Kye Woo and Cho, Kisuk. 2005. "Female Labour Force Participation during Economic Crisis in Argentina and the Republic of Korea", *International Labour Review*, 144(4): 423-50.
- Lee, Kye Woo, Cho, Kisuk and Lee, Sun Ju. 2001. "Causes of Gender Discrimination in Korean Labour Markets", *The Asian Journal of Women's Studies*, 7(2): 7-38.
- Leitner, Sigrid. 2003. "Varieties of Familialism", *European Societies*. 5(4): 353-75.
- Lewis, Jane. 1992. "Gender and the Development of Welfare Regimes", *Journal of European Social Policy*, 2(3): 159-73.
- Ministry of Education, Science and Technology. 2004. *The 2004 Statistical Yearbook of Education*, Seoul: MOEST (also accessible through: <http://english.mest.go.kr/main.jsp?idx=040101>).
- Ministry of Gender Equality and Family, 2007. *Statistics on Childcare*.
- Ministry of Planning and Budget. 2007. *Vision 2030*. Seoul: MPB (in Korean).
- Na, Jung and Mugyeong Moon. 2003. *Integrating Policies and Systems for Early Childhood Education and Care: The Case of the Republic of Korea*, UNESCO, Early Childhood and Family Policy Series, #7, June 2003.
- 2004. *Early Childhood Education and Care Policies in the Republic of Korea*, OECD Thematic Review of Early Childhood Education and Care Policies: background report, Paris: OECD.
- Nam, Young-Sook and Randall Jones. 2003. "Reforming the Public Expenditure System in Korea", *OECD Economics Department Working Papers*, No. 377, OECD Publishing.
- National e-Welfare Centre. 2006. "100percent Long-term Care Services Available in the Year 2030", *e-Welfare News*. www.e-welfare.go.kr (accessed on 11 June 2008).
- Noh, Dae-Myoung. 2005. *A Study on Social Enterprise Incubation in Korea*, Seoul: KIHASA.
- OECD, 2008. *OECD Social Expenditure Database*, http://stats.oecd.org/wbos/default.aspx?datasetcode=SOCX_AGG (data extracted, 10 January 2009).

- 2007. *OECD Health Data 2007*.
- 2007b. *OECD Economic Survey – Korea*.
- 2006. *OECD in Figures, 2006-2007*. OECD Observer, 2006/Supplement 1.
- 2006b. “A vision for Korea: laying the foundations to join the most advanced countries in the world”,
http://www.oecd.org/document/12/0,3343,es_2649_201185_37436172_1_1_1_1,00.thml (accessed, 12/01/2008).
- Park, Chanyong. 2002. “Poverty and Socio-Economic Changes in Korea”, Korea Development Institute. Research Paper. February 3, 2002.
- Peng, Ito and Rianne Mahon. 2008. Draft paper “Precarious Employment in South Korea”, earlier paper presented at conference on Comparative Perspectives on Precarious Employment: Developing Common Understandings Across Space, Scale, and Social Location, York University, 1-4 November, 2007.
- Peng, Ito and Joseph Wong. 2008. “Institutions and Institutional Purpose: Continuity and Change in East Asian Social Policy”, *Politics and Society*, 36(1): 61-88.
- Razavi, Shahra. 2007. *The Political and Social Economy of Care in a Development Context: Conceptual Issues, Research Questions and Policy Options*, concept paper for UNRISD research project on Political and Social Economy of Care.
[http://www.unrisd.org/unrisd/website/document.nsf/\(httpPapersForProgrammeArea\)/2DBE6A93350A7783C12573240036D5A0?OpenDocument](http://www.unrisd.org/unrisd/website/document.nsf/(httpPapersForProgrammeArea)/2DBE6A93350A7783C12573240036D5A0?OpenDocument)
- Rhee, Ock. 2007. “Childcare Policy in Korea: Current Status and Major Issues”, *International Journal of Child Care and Education Policy*, 1(1): 59-72.
- Suh, Jung-hae. 2007. “Vision 2030 Seeks Synergy Effects from Welfare and Development”, *Korea Net*, reported January 5, 2007, <http://www.korea.net/news/news/newsprint.asp?serial-no=20070105004>, accessed 17 April 2008.
- Sul, Kwang-Eon, Kyungsoo Choi, Hasuk Yun, Hanwook Yoo, Joonhyuk Song and Yoon Young Cho. 2006. *Directions for Social Policy in Changing Economic and Social Conditions*. (In Korean). Seoul: Korea Development Institute.

UNESCO. 2006. *Republic of Korea: Early Childhood Care and Education (ECCE) Programmes*. Country Profile prepared for the *Education for All Global Monitoring Report 2007, Strong Foundations: Early Childhood Care and Education*. UNESCO International Bureau of Education, Geneva, Switzerland.

..... 2003a. “Early Childhood Care and Education Reform of the Republic of Korea: Part 1 – Early Childhood School”, *UNESCO Policy Briefs on Early Childhood*, NO. 15, July-August, 2003.

..... 2003b. “Early Childhood Care and Education Reform of the Republic of Korea: Part 2 – Early Childhood Education Law”, *UNESCO Policy Briefs on Early Childhood*, NO. 16, September, 2003.

Woo, Cheonsik, Taejong Kim, and Wonho Jang. 2007. *Social Capital and Policy in Korea*. Korea Development Institute, Working Paper, 2007-01.

Woo, Meredith Jung-En. 2007. “After the Miracle: Neoliberalism and Institutional Reform in East Asia” in Meredith Woo. ed. *After the Miracle: Neoliberalism and Institutional Reform in East Asia*. Palgrave.

World Health Organization. 2007. *World Health Statistics, 2007*.

World Health Organization. 2008. WHO Statistics Information System, Detailed Database Search, <http://www.who.int/whosis/data/search.jsp> (accessed on 10 June 2008).

Table 1. Composition of all households with older people (65 +), 1990-2000

Household composition	Age-groups in 2000 (years)				
	1990	2000	65-69	70-79	80+
	Percentages				
One generation	16.9	28.7	35.5	27.5	12.8
Two generations	23.4	23.9	27.3	19.9	26.5
Three generations	49.6	30.8	23.2	33.3	45.1
Single person	8.9	16.2	13.7	18.9	15.0
Total	100.0	100.0	100.0	100.0	100.0

Source: National Statistical Office (2004), quoted in Choi (2006)

Table 2. Changes in the relation between family and old-age support

Year	Live with children		children provide material support	
	Yes	No	Yes	No
	Percentage			
1994	n.a.	n.a.	62.1	37.6
1998	54.5	44.9	58.2	41.6
2002	42.7	56.7	53.3	46.3

Source: National Statistical Office (2004), quoted in Choi (2006)

Table 3: Korea's Income Distribution, 1965-2000

Year	Choo (1992)	Ahn (1992,1995)	Whang & Lee (1996)	FIES (NSO)	Yoo (1998)
1965	0.3439	0.3365			
1966		0.3287			
1967		0.3647			
1968		0.3458			
1969		0.3464			
1970	0.3322	0.3125			
1971		0.3074			
1972		0.3121			
1973		0.3676			
1974		0.3823			
1975		0.3769			
1976	0.3908	0.3899			
1977		0.3780			
1978		0.3699			
1979		0.3752			
1980	0.3891	0.3567		0.3065	0.366
1981		0.3572		0.3059	
1982	0.3574	0.3766	0.393	0.3092	
1983		0.3736		0.3094	
1984		0.3804		0.3111	0.351
1985	0.3449	0.3803	0.384	0.3115	
1986	0.3368	0.3771		0.3069	0.340
1987		0.3777		0.3065	
1988	0.3355	0.384	0.365	0.3006	0.327
1989		0.4127		0.3039	
1990	0.3226	0.4017		0.2948	0.300
1991		0.4013	0.365	0.2869	0.302
1992		0.3883		0.2836	0.287
1993	0.3097	0.3797		0.2817	0.289
1994		0.3845	0.363	0.2845	
1995				0.2837	
1996				0.2907	0.288
1997				0.2830	0.282
1998				0.3163	
1999				0.3210	
2000				0.3207	

Note:

- 1) The figures of the years 1965, 1970, 1976, 1982, 1986, and 1990 are from Choo et al (1992) and those of the years 1980, 1985, 1988 and 1993 are from the Social Statistical Survey of National Statistical Office.
- 2) Ahn's estimates are based on Ahn (1992) until 1981 and Ahn (1995) since 1982.
- 3) Whang and Lee (1996) covers only urban households.
- 4) Yoo (1998)'s estimates are based on the Basic Survey of Wage Structure of the Department Labor, which covers establishments that hires more than 10 regular employees.

Source: Kang, Seoghoon. 2001. *Globalization and Income Inequality in Korea: an Overview*, OECD Development Centre.

Figure 1: The Social Security System in South Korea

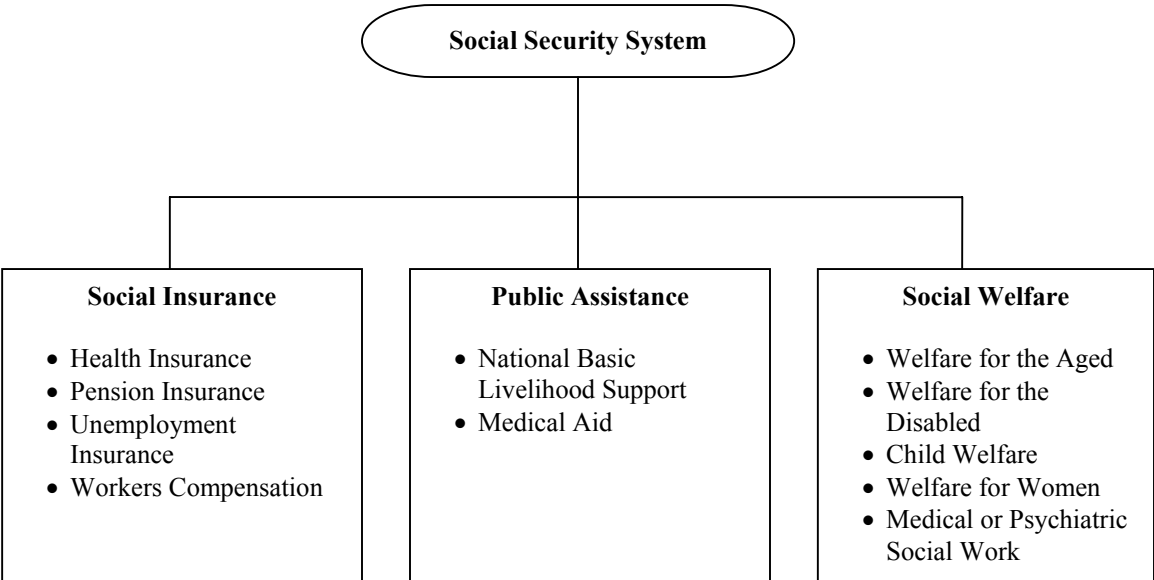


Table 4: Summary of Korean Social Policy Regime

	Expenditure in percent of GDP or Spending	Recent Reforms	Program/Benefits	Insurance Premiums, Costs, and Financing	percent of population covered
Health	<p>Total expenditure on health as percent of GDP: 1990 – 4.3percent 2000 – 4.8percent 2005 – 6.0percent</p> <p>Total public Expenditure on health as percent of GDP: 2003 – 2.9percent</p> <p>Public expenditure on health as percent of GDP:</p>	<p>1988 – Expansion of health insurance and health assistance program to workers in work place with 5+ employees, and self-employed in rural areas.</p> <p>1988 – Expansion of Industrial Accident Insurance.</p> <p>1989 – Extension of health insurance and health assistance program to urban self-employed. (universalization of health insurance)</p> <p>1999 – Unification of National health insurance – unification of separate health insurance carriers under a single body, Health Insurance Review Agency.</p>	<p>National Health Insurance System:</p> <p>-Diagnosis, pharmaceutical or health care materials, surgery, other treatments, hospitalization and nursing.</p> <p>-Childbirth, drugs, and essential preventive services.</p> <p>-Health Check-ups: When sick or injured, the insured and their dependents can receive benefits including in-patient and out-patient care, dental services, oriental medicines, prescription detection of preventable diseases and its treatment, the insured and the dependents 40 years or over are entitled to free health check-ups every two years.</p> <p>-Compensation for co-payment exceeding 1.2 million Won in 30 days (@ 50percent compensation)</p>	<p>-Compulsory insurance premium through payroll tax for workers (a total of 5.08percent (2006) of employee salary; shared 50:50 between employees and employers)</p> <p>-Compulsory insurance contribution to the NHI for self-employed based on income calculation (+National government subsidy of 50percent)</p> <p>-NHI revenue sources: 81percent - premium contribution 12percent - general tax 4percent - surcharge on tobacco 3percent - other</p>	<p>- Total number of people covered (2006):</p> <ul style="list-style-type: none"> • 47,409,600 (96.3percent of total population) • 28,445,033 employees + dependents (59.9percent of NHI coverage) • 18,964,567 self-employed + dependents (40.1percent of NHI coverage) • 1,828,627 low income people (covered by Medical Aid program)

	<p>health as percent of total expenditure on Health: 1990 – 36.6percent 2000 – 46.8percent 2005 – 53.0percent</p> <p>Public Expenditure on health: 1990 – 3,127.0 billion Won 2003 – 21,095.5 billion Won</p> <p><i>Data source: OECD, Health Data 2007, accessed 07 April 2008.</i></p>	<p>2000 – Separation of medical service and drug dispensing- medical services and drug dispensing separated.</p> <p>2007 – Introduction of Elderly Care Insurance - to begin in July 2008.</p>	<p>compensation). -80percent of the expenses of medical appliances, e.g. canes, wheel chairs, hearing aids.</p> <p><i>Data source: National Health Insurance Corporation (2008)</i></p> <p>Elderly Care Insurance: -necessary long-term care for people over the age of 65. -covers home based and institutional care. -to begin in July 2008.</p>	<p>-Co-payments: In-patient - 10-20percent of total treatment cost. Out-patient – 30-50percent depending on types of treatments and services.</p> <p><i>Data source: National Health Insurance Corporation (2008)</i></p> <p>Additional insurance premium to be added onto the health insurance.</p>	<p><i>Data source: National Health Insurance Corporation (2008)</i></p> <p>Estimated to cover only about 2percent of all the elderly initially.</p>
--	--	--	---	--	---

<p>Pension</p>	<p>Total public expenditure on pension as percent of GDP (2003): 1.5percent</p> <p><i>Source: OECD (2007b).</i></p> <p>Total public expenditure on old age pension: 1990 – 1,165.8 billion Won 2003 – 8,622.7 billion Won</p> <p>Total public expenditure on survivors pension: 1990 – 298.2 billion Won</p>	<p>1988 National Pension- first legislated in 1973, but not implemented till 1988. Cover workers in workplace of 10+ people.</p> <p>1989 – Introduction of legal retirement payment system.</p> <p>1992 – National Pension extended to workers in workplace with 5+ people.</p> <p>1995 – Inclusion of people in rural areas into the National Pension.</p> <p>1997 – Retirement insurance introduced.</p> <p>1998 – Integration of regional and company pensions.</p> <p>1999 – Compulsory participation to National Pension for all people between the ages of 18 and 60 in</p>	<p>Three types of public pension schemes:</p> <ol style="list-style-type: none"> 1)National Pension 2)Government employees pension 3)Private School teacher pension <p>Each pension scheme cover:</p> <ul style="list-style-type: none"> • Retirement pension • Widows pension • Disability pension • <p>There has been a series of attempt to broaden the coverage of and maintaining the fiscal sustainability of the national pension scheme by reducing the replacement rate from 60percent to 50percent of the wages, and increasing the contribution rate from 9percent to 12.9percent, but this was rejected by the Parliament in 1007.</p> <p>Means-tested old age benefit will be introduced in 2008 – will</p>		<p>Number of pension insurants (2005): Total: 18,347,000 (80.4percent of all employed person 18 years and over)</p> <p>National Pension: 17,124,000</p> <p>Government Employee Pension: 986,000</p> <p>Private School Teachers Pension: 237,000</p> <p>Number of pension beneficiaries (2001): National Pension: 955,803 (12.3percent of NP insurants)</p> <p>Government Employees Pension: 160,721 (17.5percent of GDP insurants)</p>
-----------------------	---	--	---	--	--

	2003 – 1,596.6 billion Won	<p>workplaces with 10+ employees. (70percent of economically active population covered).</p> <p>1999 – Urban self-employed pensions included in the National Pension.</p> <p>2003 – National Pension made compulsory to all workers in workplace 1+ people.</p> <p>2003 – Revision of National Pension – reorganization of national pension and retirement pay.</p> <p>2007 – Revision of National Pension</p>	<p>cover about 60percent of the elderly population. The benefit will be only about 5percent of average wage.</p> <p>2005 reform allowed employers to replace lump sum retirement allowance with company pension system.</p>		<p>of GEP insurants)</p> <p>Private School Teachers Pension: 14,639 (6.7percent)</p> <p><i>Source: Ministry of Health, Welfare, and Family Affairs. Social Security System, accessed 07 April 2008.</i></p>
Employment Insurance	Total public expenditure on unemployment insurance as percent of total government spending:	1990 – Active Labour Market policies	Active labour market policies primarily focused on encouraging employers to hire the elderly and the disabled, and providing employment support for the elderly and the disabled	Separate premium rate for Unemployment Benefit Program (UBP), Employment Stabilization Program (ESP) and Job Skills Development Program,	Employment Insurance Covered <u>workplaces:</u> 1995 – 38,953 1998 – 400,000 2004 – 1,002,638

	<p>2000 – 0.3percent 2003 – 0.5percent</p> <p>Total public expenditure on unemployment insurance:</p> <p>2000 – 470.8 billion Won</p> <p>2003 – 1,030.0 billion Won</p> <p>Total public expenditure on active labour market as percent of total government spending:</p> <p>1990 – 0.2percent</p>	<p>1990 – Environment Pollution Dispute Settlement Law</p> <p>1995 – Employment Insurance Program introduced</p> <p>1998 – Employment Insurance Reform</p> <p>2000 – extension of Employment Insurance</p>	<p>Compensations to the victims of environment pollution, particularly those related to the Onsan Disease case since the mid-1970s.</p> <p>Unemployment insurance coverage to workers in establishments with 30 or more workers (in 1996, this represented approximately 35.5percent of all waged and salaried workers).</p> <p>Extension of employment insurance coverage to workers in establishment with 10 or more workers, and then revised again down to establishment with 1 or more employees in the same year.</p> <p>Extension of employment insurance coverage to workers in all establishments, and non-standard workers</p>	<p>(JSDP).</p> <p>UBP 2004 – 0.9percent of wage (0.45percent employee; 0.45percent employer contribution)</p> <p>ESP 2004 – 0.15percent of wage contributed by the employer.</p> <p>JSDP 2004 – ranges from 0.1percent to 0.5percent of wage contributed by the employer, depending on size of the employment.</p>	<p># of people covered under Employment <u>Insurance:</u></p> <p>1995 – 4.204 million 2004 – 7.577 million</p> <p><u>2004</u> 68.9percent of all EI workplace had 5 or less employees</p> <p>15.3percent had 5-9 employees.</p> <p><u>2004</u> 28.1percent of all insured by EI worked in service sector.</p> <p>36.1percent of all insured by EI worked in manufacturing sector.</p> <p><u>EI coverage ratio:</u> 1995 – 32.6percent of all workers</p>
--	---	--	--	--	--

	<p>2000 – 1.8percent 2003 – 0.5percent</p> <p>Total public expenditure on active labour market:</p> <p>1990 – 58.6 billion Won</p> <p>2000 – 2,440.1 billion Won</p> <p>2003 – 1,141.1 billion Won</p>	<p>2004 – extension of Employment Insurance</p> <p>2001 – Maternity Protection law</p>	<p>Extension of employment insurance coverage to daily workers.</p> <p>Extension of maternity leave period from 60 to 90 days.</p>		<p>2004 – 50.9percent of all workers</p> <p><u># of maternity leave takers</u></p> <p>2002 – 22,711 (50percent of all eligible women)</p> <p>2004 – 38,541 (85percent)</p> <p><u># of parental leave takers</u></p> <p>2002 – 3,763 (16.7percent of recipients of maternity leave)</p> <p>2004 – 9,303 (24percent)</p> <p><i>Source: Keum, et.al. 2005. Employment Insurance in Korea: the First Ten Years,</i></p>
--	---	--	--	--	---

					<i>KLI.</i>
Workers' Compensation Or Industrial Accident Compensation Insurance (IACI)	<p>Total public expenditure on workers compensation as percent of total government expenditure:</p> <p>1990 – 1.5percent 2003 – 1.6percent</p> <p>Total public expenditure on workers compensation:</p> <p>1990 – 562.5 billion Won 2003 – 3,648.5</p>	<p>1987 – IACI reform extension</p> <p>1991 - IACI reform extension</p> <p>1992 - IACI reform extension</p> <p>1996 - IACI reform extension</p> <p>1998 - IACI reform extension</p> <p>2000 - IACI reform extension</p>	<p>Extension of IACI to 20 industries with 5 or more employees.</p> <p>Extension of IACI to mining, forestry, fisheries, wholesale and retail and real estate industries with 10 or more employees.</p> <p>Extension of IACI to the above industries with 5 or more employees.</p> <p>Extension of IACI to education services, health and social welfare services.</p> <p>Extension of IACI to finance, insurance, and dispatch workers.</p> <p>Extension of IACI to all self-employed.</p>	To be filled	To be filled

	billion Won				
Public Assistance and Social Welfare	<p>Total public expenditure on family:</p> <p>1990 – 59.9 billion Won</p> <p>2003 – 867.2 billion Won</p> <p>Total public expenditure on other social policies:</p> <p>1990 – 335.3 billion Won</p> <p>2003 – 3,255.8 billion Won</p>	<p>1987 – Expansion of educational support for children of people receiving public assistance and those living in subdivisions and designated areas to attend secondary and vocational high schools.</p> <p>1991 – Child Care Act – establishment of child care institutions.</p> <p>1993 – Employment Support Allowance (one time cash benefit) to people completing job training programs.</p> <p>1997 – Extension of educational support to children of all public assistance</p>	<p>1)<u>Medical Assistant (medical aid program)</u></p> <p>- Basic Livelihood security recipient</p> <p>-Medical care for poor foreign workers : provide subsidies to medical institutions that have been giving free medical treatment to the needy</p> <p>2)<u>National Basic Livelihood Support Program</u></p> <p>- public assistance for individuals and households with income less than minimum income threshold calculated by the Ministry of Health and Welfare.</p>	<p>1)general taxation; means-tested</p> <p>2) general taxation; means-tested</p>	<p>1)medical aid: 1,420,539 (year end eligible person)</p> <p>In 2002; 691.018 households and 1.352.858 persons (BLSR)</p>

		<p>of all public assistance recipients up to secondary and vocational high schools.</p> <p>1998 – Introduction of active welfare.</p> <p>2000 – National Basic Livelihood Security Act established, and implemented in 2000.</p> <p>2005 – National Child Care Act - expansion of child care institutions, public subsidies for child care for families with preschool age children, new regulatory</p>			
	<p>1) 49.3 billion won in subsidies to 295 free facilities and 17 low-price facilities in 2002</p> <p>4) 97.4 billion</p>		<p>3)<u>For the aged</u>: free, low-price and private facilities. Only seniors in the low-income bracket are allowed into free or low-price facilities.</p> <p>4)<u>Disabled, supporting plan</u> : self-support, education aid, appliances aid and non-</p>	<p>3)general taxation; means-tested</p> <p>4)general taxation; means-tested</p>	<p>3) Only seniors in the low-income bracket are allowed into free or low-price facilities.</p> <p>4) In 2002, 140,000 people with disability allowances and</p>

	<p>Won provided to the parents of 192,000 children. – Single mother family: The government provided 140,000 people with disability allowances and 119,000 with medical aid and medical expenses. - In 2002, 30,694 children met their sponsors, receiving 9.6 billion won in aid.</p>		<p>budgetary measures such as tax deduction and public facilities fee discounts.</p> <p><u>Ten-year Plan for Senile Dementia)*</u> : building nursing facilities, hospital and research institutions for dementia, and implementing pilot projects of remote-clinics</p> <p><u>The Aged Employment Services Centre</u>, the Aged Workplace and the Aged Employment Promotion: 572 communal workplaces .</p> <p><u>Aged Employment Promotion Act</u> was enacted, encouraging companies to employ 3percent or more of its employees from the senior population aged 55 or more</p> <p>5)<u>Child and Family - Child Welfare Act</u></p> <p>-Employment programs- such as technical and vocational training, consultation, social adjustment, etc- for the grown-</p>	<p>5) general taxation; means-tested</p>	<p>119,000 with medical aid and expenses Total number: 1,294,254</p> <p>4) residential institution: 216 and Non-residential 747. Persons in institution 19.515. Total disabled # 1.294.254</p>
--	---	--	---	--	--

			<p>up orphans since 1976</p> <p>-institutional care: where the government provides financial assistance and counselling services on psychological, educational, and vocational training issues. Maternity care also offered to unmarried single mothers so that they can give birth to a baby in a healthy and safe environment.</p>		
Education	<p>Public expenditure on education as percent of GDP:</p> <p>2004 – 6.2percent.</p> <p>Public expenditure on education as percent of total government expenditure:</p> <p>2004 – 15.5percent</p>	<p>1982 - Early Childhood Education Promotion Act – establishment of public and private kindergartens.</p> <p>1992 – Education Law 146, 147 - national standardization of kindergarten curriculum.</p> <p>2004 – Early Childhood Education Act - removal of ECE from within the Primary and Secondary Education Law; integrated care and education service for 3-5 year olds as presented in the 1997 reform.</p>	<p>1) early childhood education – mainly kindergarten education for children aged 4 and 5</p> <p>2) primary education</p> <p>3) secondary education (middle and high school)</p> <p>4) University</p>	<p>1) combination of public and private kindergartens. Public kindergarten free, but the cost of private kindergartens are borne by the family, and partially subsidized by the state. The most recent ECCE legislation proposes free early childhood education for all children 5-years.</p> <p>2) free, compulsory</p>	<p>1)</p> <p>2) 99.9percent enrolment rate</p> <p>3) 99.6percent enrolment rate for middle school; 87percent for high school.</p> <p>4) 49.8percent enrolment rate for university.</p> <p>Total number of</p>

				<p>3) free, compulsory for middle school, but students bear the price for high school</p> <p>4) combination of public and private universities, but students bear the price</p>	<p>students: 7,727,717</p> <p>Female graduate: 81.1percent</p> <p>Labour force participation post-graduation: 50.3percent</p>
--	--	--	--	---	---

Table 5: Time on paid and unpaid care work by sex and marital status 1999, 2004 (percent)

			1999		2004	
			MPT	PR	MPT	PR
Male	Single	SNA work	11	30	11	32
		Housekeeping	1	31	1	30
		Person care	0.5	5	1	6
	Married	SNA work	29	79	28	78
		Housekeeping	1	38	2	41
		Person care	1	21	1	24
	Divorced/	SNA work	19	56	17	56
	Widowed	Housekeeping	4	63	4	71
		Person care	1	14	1	14
Female	Single	SNA work	10	28	11	31
		Housekeeping	2	53	2	48
		Person care	0.3	8	0.3	7
	Married	SNA work	14	48	13	46
		Housekeeping	16	98	15	98
		Person care	4	60	5	59
	Divorced/	SNA work	13	45	12	43
	Widowed	Housekeeping	11	90	11	93
		Person care	1	25	1	23

Note: SNA = System of National Accounts, MPT = mean population time, and PR = participation rate.

Source (An, Miyoung 2008).

Table 6: Time on child, spouse and parent care by sex and marital status 1999, 2004 (minutes/percent)

		Child care				Spouse care				Parent care			
		1999		2004		1999		2004		1999		2004	
		MPT	PR	MP T	PR	MP T	PR	MP T	PR	MP T	PR	MP T	PR
Male	Single	1	2	1	1	-	-	-	-	1	1	2	3
	Married	9	15	11	18	1	1	1	3	1	1	1	2
	Divorced/ widowed	6	6	5	8	-	-	-	-	0.3	1	1	1
Female	Single	2	3	2	3	-	-	-	-	1	3	2	4
	Married	58	48	58	46	4	17	4	17	1	2	2	3
	Divorced/ widowed	16	16	13	14	-	-	-	-	1	1	1	1

Note: SNA = System of National Accounts, MPT = mean population time, and PR = participation rate.

Source (An, Miyoung 2008).

Figure 2: Changing Configuration of Care Diamond

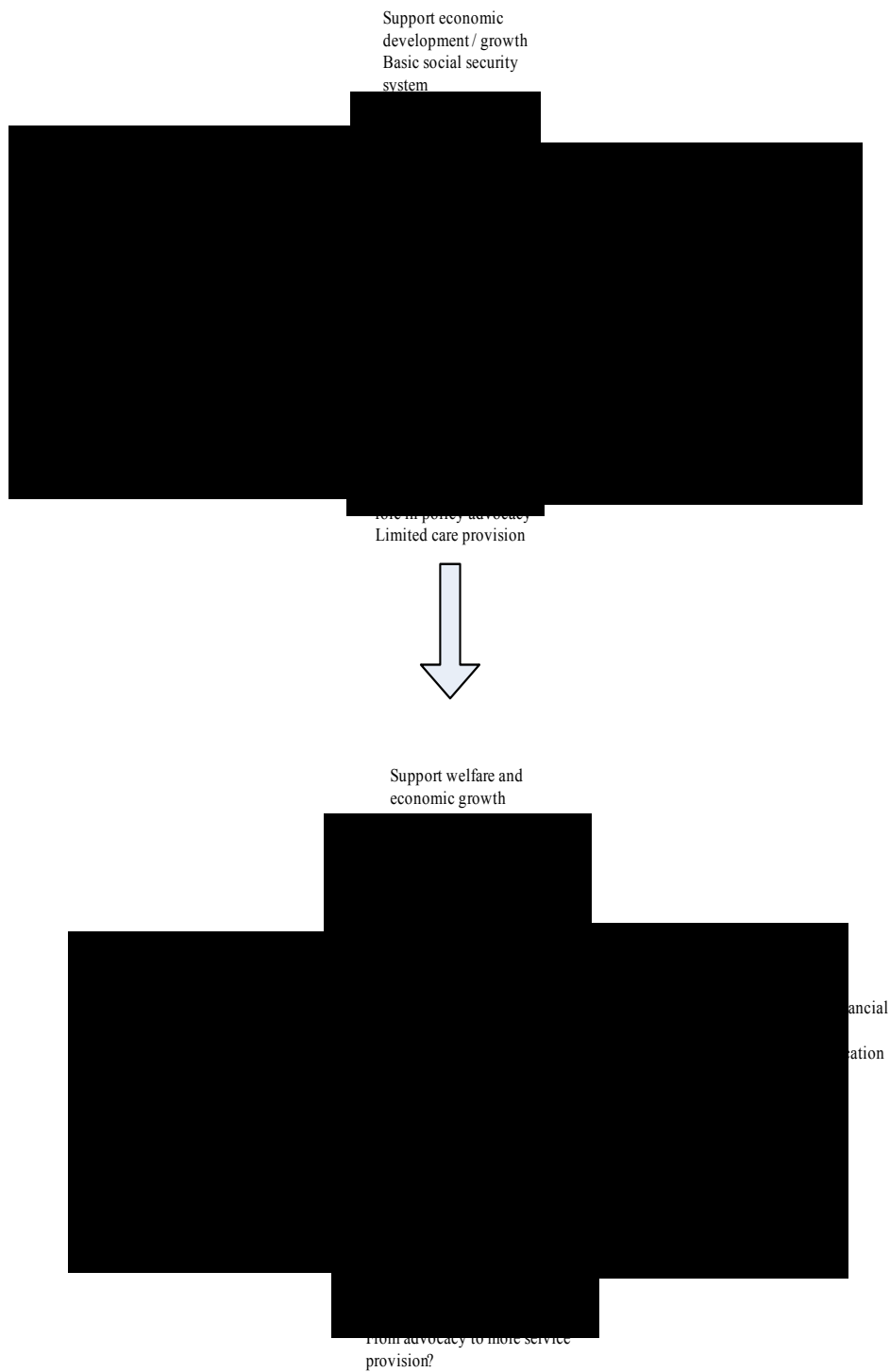


Table 7: Estimated percent of Kindergarten and Childcare Centre Enrolment, 2006-2020

Year	Kindergarten enrolment			Childcare center enrollment			(unit percent)		
	Age 3	Age 4	Age 5	Age 0	Age 1	Age 2	Age 3	Age 4	Age 5
2006	16.38	32.66	47.38	10.02	21.24	39.18	47.21	39.82	31.69
2010	20.02	38.92	48.15	17.65	29.28	45.41	57.94	51.85	38.10
2015	22.15	38.70	49.58	21.80	35.21	48.70	62.97	56.25	43.92
2020	22.86	37.10	49.84	24.76	39.59	51.15	65.26	58.60	47.61

Note: The figures above were estimated using time series techniques with the number of children under age 5 and the number of children enrolled in kindergartens childcare centers from 2002 to 2005.

Source: Ministry of Education & Human Resources Development Korean Educational Development Institute (2005, 2006). *Statistical Yearbook of Education*.

Table 8: Per capita budgets for early childhood education and child care, 2005-2006

Fiscal Year	Budgets for ECE			Budgets for Childcare		
	Amount(A)	Number of children enrolled (B)	Per capita budget (A/B)	Amount(A)	Number of children enrolled (B)	Per capita budget (A/B)
2005	628,585,225	541,350	1,161	1,601,373,952	930,252	1,721
2006	886,011,000	545,842	1,623	2,038,102,360	1,006,842	2,024

Sources: Ministry of Education & Human Resources Development Korean Educational Development Institute (2005, 2006). *Statistical Yearbook of Education*; Ministry of Gender Equality and Family (2005, 2006). *Statistics on Child Care*.

Table 9. Financial Support for Child Care, 2007.

1 USD = Approx. 950 Won

1 EURO = Approx. 1,250 Won

Age of the child	Childcare fee support for low-income families on a sliding scale	Childcare fee support for Families with Two or more children	Childcare fee support for Farmers and fishermen	Free childcare for children with disability
>1 yr	Income level 1 & 2: 361,000 won Level 3: 288,800 won Level 4: 180,500 won Level 5: 72,200 won	50percent of childcare fees (181,000 won)	70percent of childcare fees (253,000 won)	361,000 won
1 yr	Income level 1 & 2: 317,000 won Level 3: 253,600 won Level 4: 158,500 won Level 5: 63,400 won	50percent of childcare fees (159,000 won)	70percent of childcare fees (222,000 won)	
2 yrs	Income level 1 &2: 262,000 won Level 3: 209,600 won Level 4: 131,000 won Level 5: 36,000 won	50percent of child care fees (131,000 won)	70percent of childcare fees	
3 yrs	Income level 1 &2: 180,000 won Level 3: 144,000 won Level 4: 90,000 won Level 5: 36,000 won	50percent of child care fees (90,000 won)	70percent of childcare fees (126,000 won)	
4 yrs	Income level 1 & 2: 162,000 won Level 3: 129,600 won Level 4: 81,000 won Level 5: 32,400 won	50percent of child care fees (81,000 won)	70percent of childcare fees (113,000 won)	

5 yrs	Free childcare: 162,000 won (for families of income level 1 through 5)	100percent of childcare fees (162,000 won) (for families with less than 5 <i>ha</i> of land)	
-------	---	--	--

Source: Korea Institute of Child Care and Education. 2008. *Child Rearing Support Policies in Korea, 2007*. Seoul: KICCHE, pp. 10.

Table 10. Financial Support for Kindergarten, 2007

Age of the child	Tuition support on a sliding scale	Tuition support for families with two or more children	Tuition support for children of farmers and fishermen	Free education for children with special needs
3 yrs	Income level 1 & 2: up to 180,000 won in private K; up to 53,000 won in Ntl/public K Level 3: up to 144,000 won in private K up to 42,000 won in Ntl/public K Level 4: up to 90,000 won in private K up to 26,500 won in Ntl/public K Level 5: up to 36,000 won in private K Up to 10,600 won in Ntl/public K	Up to 90,000 won in private K 53,000 won in National/public K	126,000 won in private K 39,000 won in National/public K	
4 yrs	Income level 1 & 2: up to 162,000 in private K; up to 53,000 won in Ntl/public K Level 3: up to 129,000 won in private K Up to 42,400 won in Ntl/public K Level 4: up to 81,000 in private K Up to 26,500 won in Ntl/public K Level 5: up to 32,400 won in private K Up to 10,600 won in Ntl/public K	Up to 81,000 won in private K 53,000 won in Ntl/public K	113,000 won in private K 39,000 won in Ntl/private K	Up to 361,000 won in private K 90,000 won in national/public K
5 yrs	Free education: 162,000 won Up to 162,000 won in Private K; up to 53,000 won in national/public K (for families of income levels 1 through 5)		162,000 won in private K 56,000 won in Ntl/public K (for families with less than 5ha of land)	

Source:

Korea Institute of Child Care and Education. 2008. *Child Rearing Support Policies in Korea, 2007*. Seoul: KICCHE, pp. 11.

Table 11. Share of employment, weekly hours, and hourly earnings by employment status, region, and sex. South Korea, 2005.

	Distribution of employment		Weekly Hours		Hourly earnings (won)	
	M	F	M	F	M	F
Urban employment						
Regular employee	40.2percent	25.0percent	59	39	14,570	10,871
Small scale	1.5percent	1.4percent	43	31	9,589	7,942
Other enterprises	38.7percent	23.6percent	59	47	14,771	11,059
Temporary employee	15.2percent	28.6percent	33	24	7,140	6,048
Small scale	4.7percent	10.2percent	31	21	6,287	5,105
Other enterprises	10.4percent	18.4percent	34	25	7,529	6,580
Daily employee	8.2percent	10.1percent	25	14	6,709	4,332
Small scale	3.2percent	5.4percent	22	14	6,403	4,173
Other enterprises	5.0percent	4.7percent	23	16	6,908	4,515
Employer	9.9percent	3.5percent	52	54	n/a	n/a
Small scale	6.0percent	2.9percent	53	54	n/a	n/a
Other enterprises	3.9percent	0.6percent	50	52	n/a	n/a
Own-account	16.9percent	12.6percent	50	45	n/a	n/a
Contributing family	0.9percent	9.1percent	44	57	n/a	n/a
Rural employment						
Regular employee	0.9percent	0.8percent	40	32	9,009	7,760
Temporary employee	0.4percent	0.8percent	25	20	5,507	4,874
Daily employee	0.3percent	0.8percent	22	13	6,481	3,399
Employer	0.3percent	0.1percent	57	59	n/a	n/a
Own-account	6.4percent	3.1percent	43	39	n/a	n/a
Contributing family	0.5percent	5.5percent	42	43	n/a	n/a

Source: Heintz (draft) *Employment, Informality and Poverty: An Empirical Overview of Six Countries with a Focus on Gender and Race*, UNRISD.