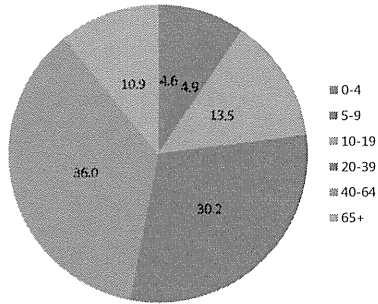


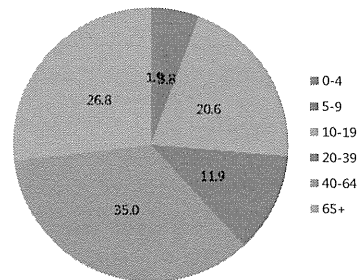
Poverty Risk by Age Group, 2010, South Korea

Population of Korea, 2010



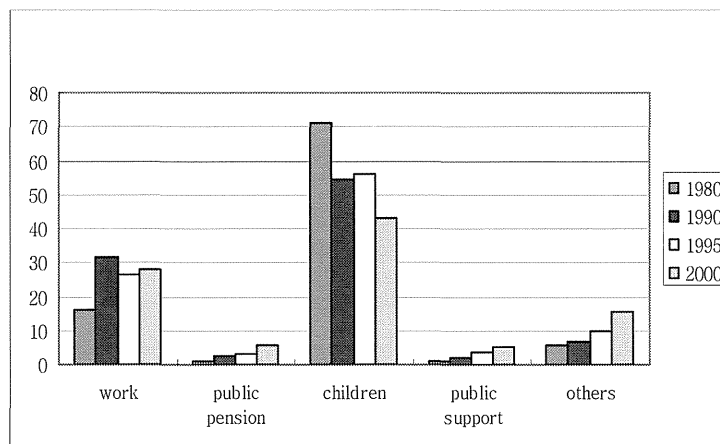
Source: KOSIS

Population under Minimum Livelihood, 2010



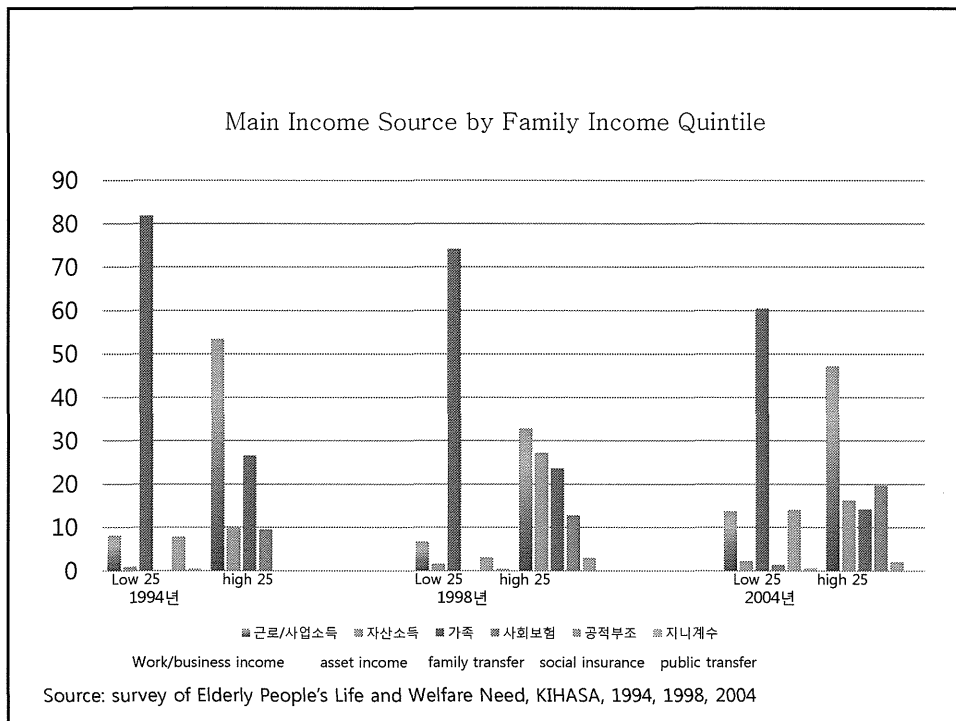
Source: Basic Livelihood Support Statistics, 2011, MOW

Main Income Source of the Aged 65 and Over, Korea



Source: Japan Cabinet Office. 2002. p. 177

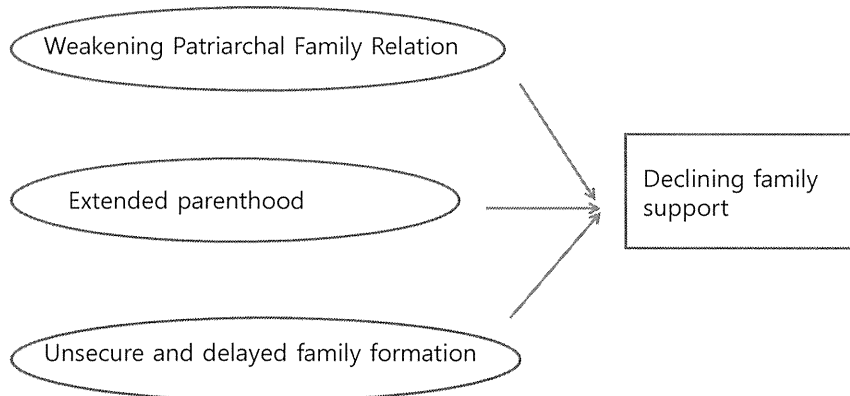
6



New Mechanisms of Poverty and Inequality in Later Life, South Korea

- Changing Causes of Poverty in Later Life
- Strong Relation between Poverty and Inequality
- Family Changes and its Influences on Income Support for the Elderly
- Segmented Labor –Welfare Systems and Cumulated Inequality in Life Course

Family Changes and Declining Family Support



9

Patriarchal construct of modern family in Korea

- Confucian and patriarchal family
- Hojuge, 戶主制 in the colonialized Korea
- Modern family law, 1958, mix up of Confucian family ideas, family head system in the colonized period, and nuclear family ideas
- Intergenerational strategy for economic development

Patriarchal prescription on old age support

- Patrilinear coresidence
- Filial piety
- Parents' authority
- Son's preference
- Perseverance of daughter in law

Declining patriarchal prescription on old age support

- the elderly parent's status within family significantly declined, and support from children also became regarded to be burdened to both parents and children
- Change in functions of extended family –from support for parental well being to support for children's family
- Children's complex feelings of guilt over not taking care of the elderly and burden over taking care of the elderly and wishing to be freed from doing so.
- Parents' fearing to be treated as burdensome, seeking independence, or accepting their subjugation.

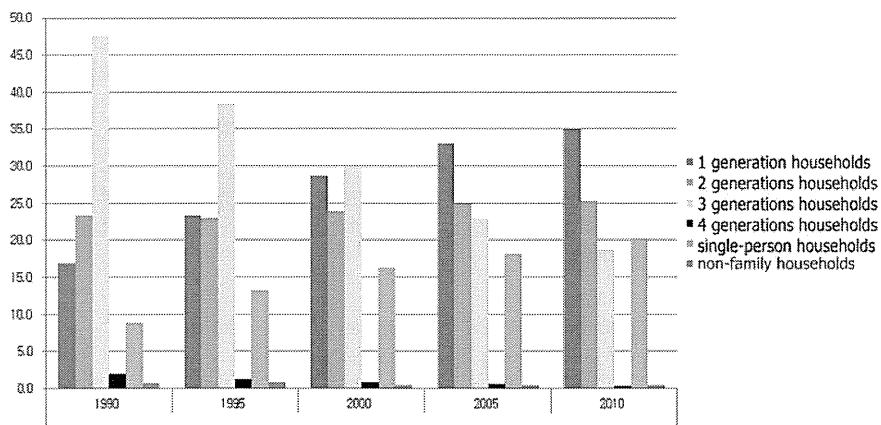
Family becoming contested terrain between generations and gender

- ▶ *The Chosun Daily*, May 15, 1980. "In Spite of Children's Filial Piety, Elderly Parent's Alienation Because of the Loss of Their Autonomy to Govern the Family"
- ▶ Jan 13, 1983. "Younger Women Dislike Serving the Elderly"
- ▶ July 31, 1983. "Divulging Children Who Threw Their Parents in an Institution"
- ▶ Aug 11, 1983. "New Goryojang" (old Korean burial custom whereby an old person was left to die in an open tomb)
- ▶ April 19, 1983. "There Are Many Virtues to Revise in Traditional Ideals of the Daughter in law"

- ▶ *The Joong Ang Daily* March. 17, 1984. "Mother in law and Daughter in law, What is the Problem?"
- ▶ Aug 21, 1984. "The Elderly Also Don't Want to Live with Their Children"
- ▶ May 20, 1984. "Family in Collapse"
- ▶ Nov 19, 1984. "Death of One Elderly Person amidst the Confusion of Nuclearization"
- ▶ July 5, 1985. "The Victim of the Conflict between Mother in law and Daughter in law is the Mother in law"
- ▶ ..
- ▶ Mar 8, 1992. "A Succession of Suicides among the Lonely Elderly"
- ▶ Sept 10, 1994. "Pathology of Matricide"
- ▶ Sept 6, 1995. "Society Abandoning the Elderly"
- ▶ Oct 29, 1995. "Two Old Men Taking Their Own Lives, Depressed about Physical Suffering"
- ▶ Dec 9, 1996. "Rapid Increase in Elderly People Living Alone"
- ▶ Feb 4, 1997. "Elderly People 53% Living Apart from Their Children"
- ▶ May 7, 2002. "Suffering from Children's Harsh Words"
- ▶ April 16, 2004. "You Don't Know What I Feel"

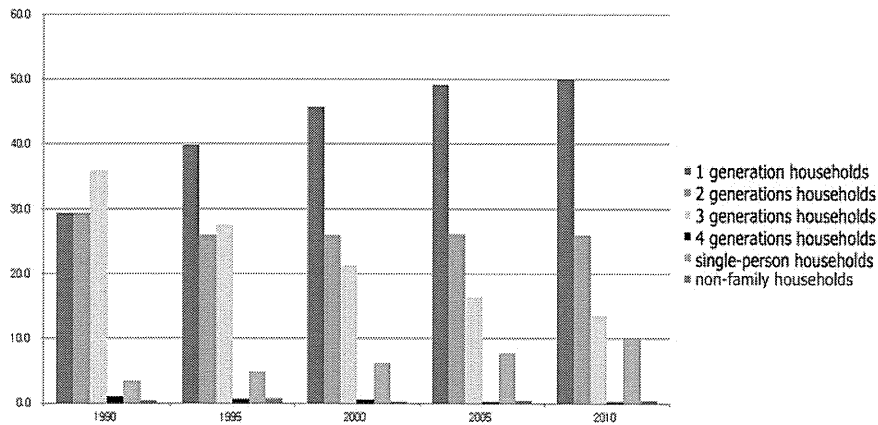
13

Types of Households with Population of 65+, Korea, 1990-2010



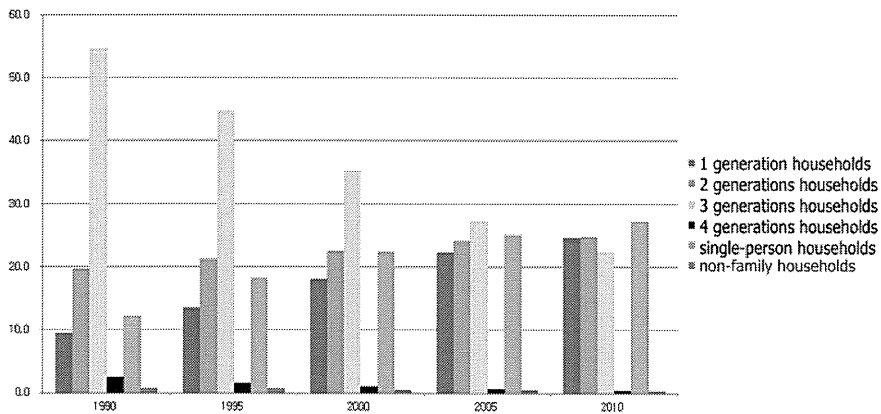
Source: Population and Housing Census

Households with Population of 65+ (male), Korea, 1990-2010



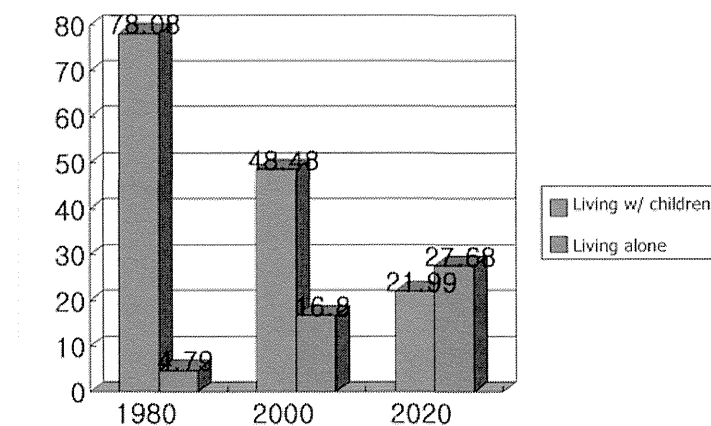
Source: Population and Housing Census

Households with Population of 65+ (female), Korea, 1990-2010



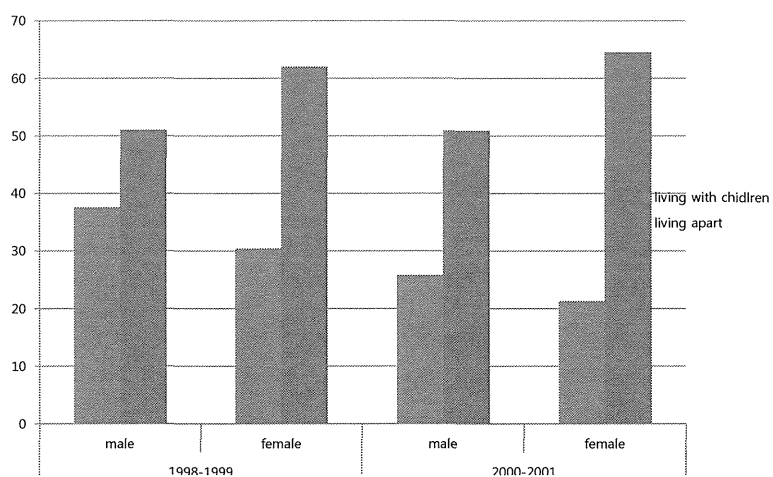
Source: Population and Housing Census

Living Arrangements for People 65+, Korea, 1980-2020



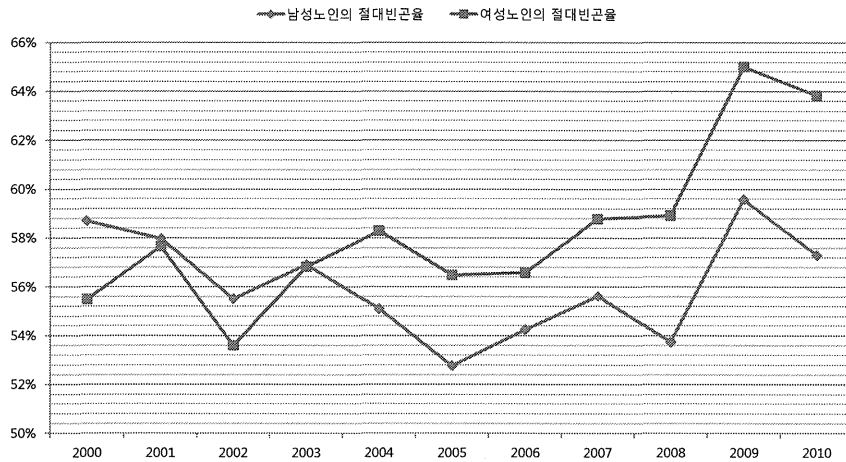
Source: Population and Housing Census

Poverty Rate by Coresidence with Children



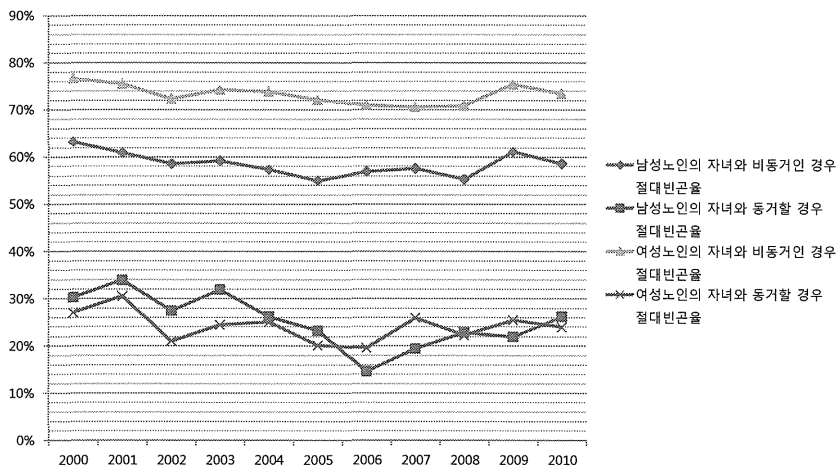
source: KIIPS, 1998-2001

Poverty Rate of the Aged 65 and over, South Korea



자료: 한국노동패널 3~13차 자료
 주: 소득은 시장소득을 기준으로 하며, 각년도 가구원수 별 최저생계비를 절대 빈곤의 기준으로 함

Poverty rate by living arrangement among the elderly aged 65 and over



자료: 한국노동패널 3~13차 자료
 주: 소득은 시장소득을 기준으로 하며, 각년도 가구원수 별 최저생계비를 절대 빈곤의 기준으로 함

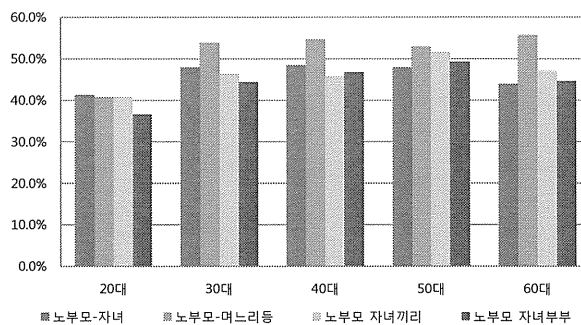
Poverty rate by living arrangement among the elderly aged 65 and over

	male			female		
	Living with spouse or alone	Living with children	total	Living with spouse or alone	Living with children	total
2000	63.26%	30.30%	58.70%	76.66%	27.06%	55.49%
2001	60.93%	33.96%	57.97%	75.51%	30.58%	57.65%
2002	58.58%	27.45%	55.51%	72.37%	21.03%	53.59%
2003	59.22%	31.91%	56.91%	74.28%	24.50%	56.82%
2004	57.36%	26.19%	55.09%	73.86%	25.09%	58.29%
2005	54.99%	23.26%	52.77%	72.16%	20.14%	56.49%
2006	56.93%	14.63%	54.25%	71.05%	19.64%	56.58%
2007	57.60%	19.44%	55.62%	70.60%	25.91%	58.78%
2008	55.29%	22.86%	53.74%	70.90%	22.26%	58.92%
2009	61.12%	21.95%	59.58%	75.45%	25.48%	65.00%
2010	58.62%	26.19%	57.30%	73.44%	24.05%	63.84%

자료: 한국노동패널 3~13차 자료

주: 소득은 시장소득을 기준으로 하며, 각년도 가구원수 별 최저생계비를 절대 빈곤의 기준으로 함

Experiencing some conflicts about elderly parents' support



between parent & children, between parent & children in law, among children, between parents

Source: Survey on Generational Conflict and Communication, 2012 (Park et als. 2013)

Generational Relationship in Later Life, 1998

Coefficients (Conditional Probability) for Three Classes of Intergenerational Relationship
among the Elderly (65 and over), 1998

		Latent Classes		
		Traditional	Reciprocal	Weak
		I	II	III
Geographic proximity	Living together	.68	.48	.08
	Separately	.33	.52	.92
Instrumental /economic support	Reciprocal	.00	.71	.01
	One-sided	.95	.29	.24
	No exchange	.05	.00	.75
Emotional support	Reciprocal	.23	.25	.14
	One-sided	.42	.37	.27
	No exchange	.35	.38	.59
Norm of Family	Normative	.44	.30	.25
	circumstantial	.56	.70	.75
Probability of Latent Class		.50	.20	.31

Park, 2003

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Generational exchange of economic support

Respondent	20s		30s		40s		50s		60s	
	Give	receive	give	receive	give	receive	give	receive	give	receive
Parents	27.2%	67.9%	31.2%	27.9%	20.8%	17.5%	14.1%	10.8%	7.2%	1.2%
Children	2.4%	0.4%	37.5%	1.8%	62.5%	2.4%	64.0%	21.8%	50.3%	54.5%
Parents in law	0.6%	0.4%	6.9%	8.4%	8.3%	5.8%	4.1%	0.4%	0.6%	0.0%
No support	69.8%	31.3%	24.4%	62.0%	8.4%	74.3%	17.7%	67.1%	41.8%	44.3%

Source: Survey on Generational Conflict and Communication, 2012 (Park et als. 2013)

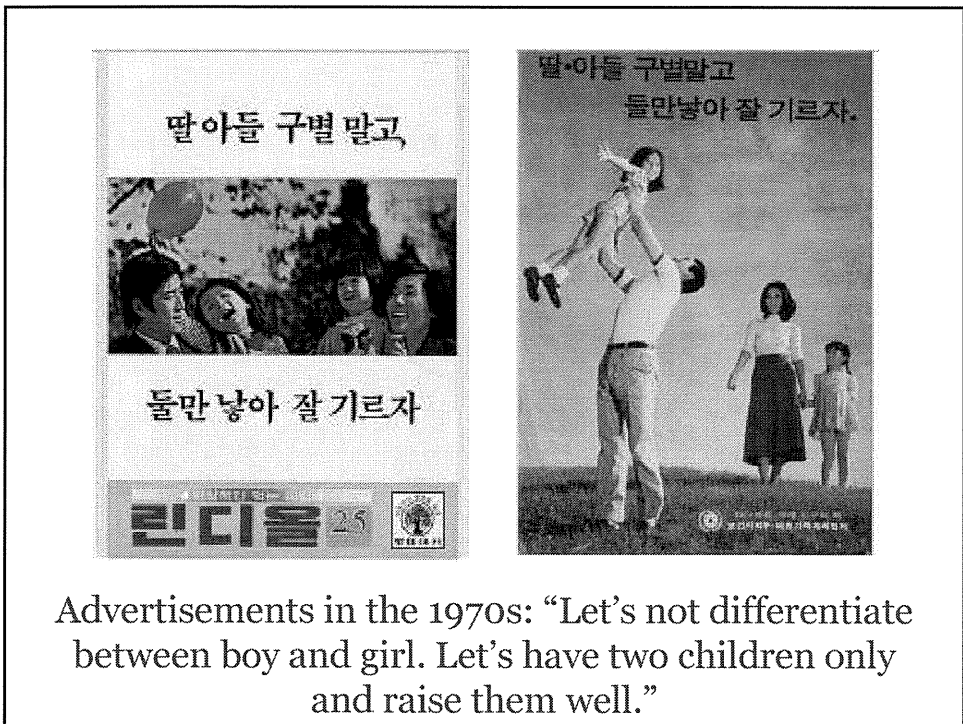
Extended parenthood

- People's anxiety for nation construction and happy family
- Learning and embodying development-centered Perspectives
- Diffusion of the Idea of Nuclear Family
- Women's Identity as Housewife and Education Mother
- Parents' Anxiety for Children's Education
- Delayed Reliance of the Youth on Parents' Resources

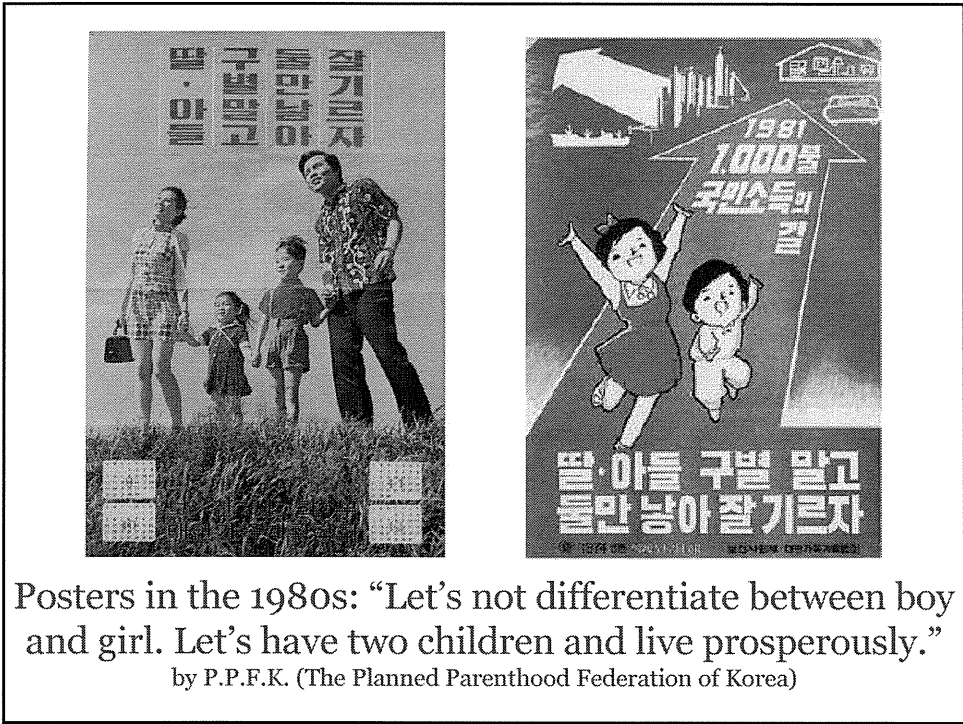


Poster in the 1960s: “Let’s have an adequate number of children and raise them well”

by P.P.F.K. (The Planned Parenthood Federation of Korea) and KIHASA (Korea Institute of Health and Social Affairs)

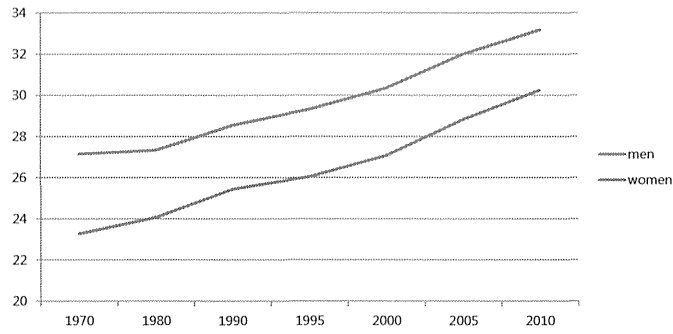


Advertisements in the 1970s: “Let’s not differentiate between boy and girl. Let’s have two children only and raise them well.”



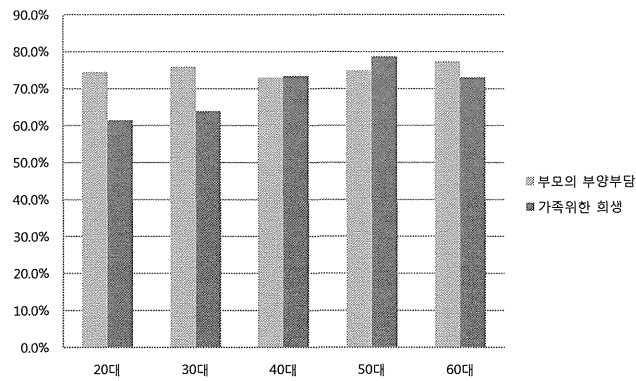
Posters in the 1980s: “Let’s not differentiate between boy and girl. Let’s have two children and live prosperously.”
by P.P.F.K. (The Planned Parenthood Federation of Korea)

Singulate Mean Age at Marriage



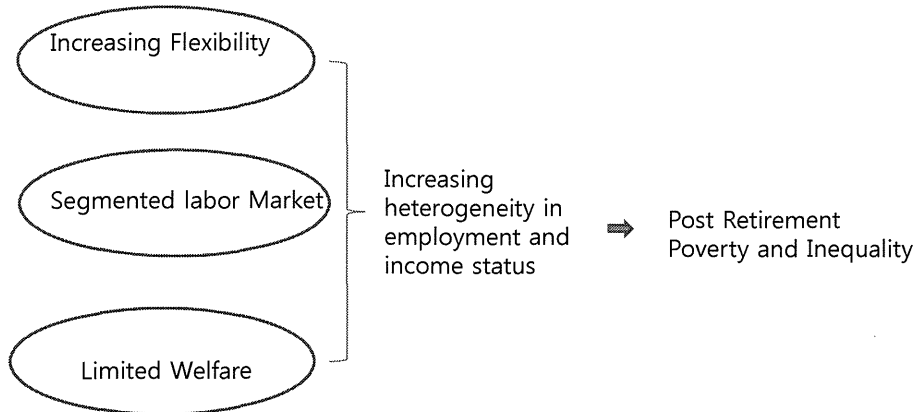
Source: Census of Population, KOSIS

Burdened feeling about parenthood, Willingness to sacrifice for family



Source: Survey on Generational Conflict and Communication, 2012 (Park et als. 2013)

Mechanism of Stratified Labor –Welfare in Increasing Poverty Risk and Inequality



Increasing flexibility since 1990s

- Legalization of layoff and detached work in 1997
- Remarkable change in employment status among employees, irregular workers 50 percent of the total employees in 2000
- Increasing gap between large and small company in productivity and employment status

Labour market and tenure system

- Very frequent job changes and short term of tenure in Korea
- partly due to relatively short history of industrialization
- partly due to segmentation of labor market, labor in periphery sectors less likely to develop tenure
- segmentations by education and gender are strong
- segmentations by sectors such as company, and employment status become stronger

Density of Labor Exit

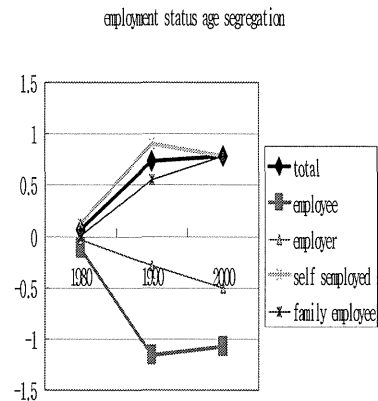
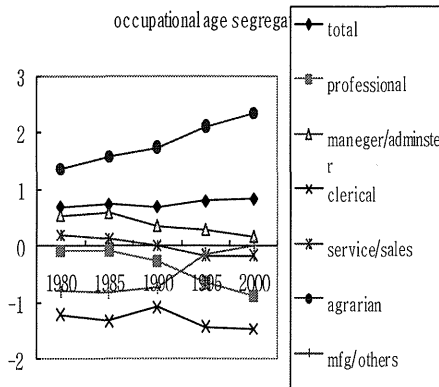
Density and Rate of Labor Exit among Workers aged 55 and over

		RRR (Cox model)	RRR (Logit model)
occupation	Professional/administrative	<i>0.68</i>	0.68
	Clerical	0.89	1.68
	Sales/service	1.24	1.33
	Agrarian <i>(ref: manufacturing/other laborers)</i>	<i>0.29</i>	<i>0.26</i>
Employment status	Temporary	1.19	<i>1.89</i>
	Self employed	<i>0.54</i>	0.36
	Family employee <i>(ref: regular employee)</i>	<i>0.45</i>	0.53
Size of company	Less than five workers <i>(ref: five and more workers)</i>	<i>0.52</i>	<i>0.54</i>
Entitlement of national pension	Entitled <i>(ref: no entitlement)</i>	1.07	<i>2.79</i>

Note: estimates in italics are statistically significant at the significant level below 0.05

Source: Park, 2003

Age segregation in occupation and employment status



Source: Park, 2003

Hybrid of Early Exit and Delayed Exit

- **early exit without compensation, delayed exit of the poor,**
- Early retirement –regular employee workers in primary labor market, the main reason for retirement is employment restructuring, honorable retirement, lay offs
- Delayed exit –the proportion of the elderly working as agrarian, self employed and marginal employees has increased since the 1980s. The main reason for work derives from economic need for subsistence

Stratification in Employment Status and Income

- unbeneficial economic class over the life course
- Continuity of women's unbeneficial status in labor status
- Various types of unstable workers, their deliberate exclusions in the labor market, work place, and public recordings
- Trapped in disadvantaged work condition
- Disadvantages during the working life culminating with the risk of chronic poverty in later life

Inequality triggered by welfare policy

- Extension of welfare policy since the late 1990s- extension of National Pension, introduction of long term care insurance since 2008, but limited extension of welfare right
- deliberate exclusions which renders disadvantaged workers invisible in the social security systems
- despite the legislative extension of the coverage, many unstable workers voluntarily deny the access, partly due to the unwillingness to deposit some part of their earnings for their post retirement because of an imminent need to meet their daily expenses

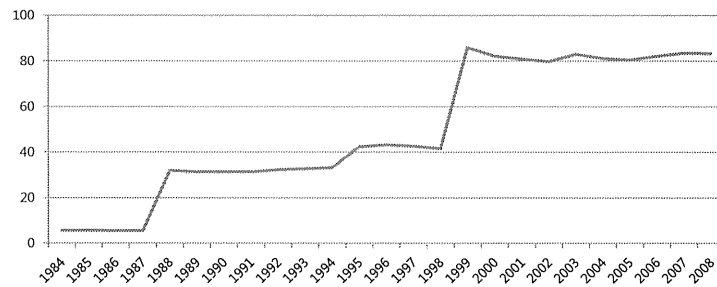
- Frequent job changes and the lack of concrete employment contracts make irregular workers invisible in public labor recordings used to determine the entitlement of the social security benefits.

Coverage Rate of Public Pension

Table 1-3 Development of the National Pension System and the Coverage Rate in South Korea

Year		Coverage rate for the total workers, %			total
		Government military insurance	Private school teacher insurance	National insurance	
1960	Government insurance	-	-	-	-
1963	Military insurance	-	-	-	-
1973	Private school teacher insurance	-	-	-	-
1988	National Pension (companies with 10 or more workers)	4.6	0.8	26.3	31.7
1992	National Pension (companies with 5 or more workers)	4.8	0.9	26.4	32.1
1995	National insurance (rural/fishery workers)	4.7	0.9	35.5	41.1
1999	National Pension (companies with less than 5 workers, self employed in urban sectors)	4.5	1.0	53.0	58.5
2000		4.3	1.0	55.9	61.2

Coverage rate of Public Pension



Source: National Pension Statistics, 2011, MOW

The intersecting association between employment and social benefits Characteristics of Employed Workers, 50-54, 1999

		Workers entitled to NP	Workers not entitled to NP	Total
Gender	Male	79.7	45.1	62.2
	Female	20.3	54.9	37.9
	Total (N)	100.0 (592)	100.0 (610)	100.0 (1,202)
Education	Primary	12.2	25.9	19.1
	Middle	16.7	29.0	23.0
	High	40.5	36.1	38.3
	College +	30.6	9.0	19.6
	Total (N)	100.0 (592)	100.0 (610)	100.0 (1,202)
Occupation	Adm/manager/prof	28.0	10.8	19.3
	Clerical	13.7	5.7	9.6
	Sales	7.4	22.0	14.8
	Product	41.1	35.8	38.4
	Menial	9.8	25.7	17.8
	Total (N)	100.0 (584)	100.0 (600)	100.0 (1,184)
Labor status	Full time	93.2	42.4	67.5
	Part time	6.8	57.6	32.5
	Total (N)	100.0 (591)	100.0 (608)	100.0 (1,199)
Size of company	Less than 5	1.6	39.1	20.4
	5-9	5.3	17.2	11.2
	10-29	14.3	21.2	17.8
	30-49	9.3	5.3	7.3
	50-69	9.3	2.7	6.0
	70-99	6.9	1.1	4.0
	100+ =	53.4	13.4	33.4
Total (N)	100.0 (551)	100.0 (552)	100.0 (1,103)	
Duration of employment	Mean (years, N)	10.7 (589)	4.8 (604)	7.7 (1,193)
monthly earning income (N)	Mean (10,000 won, N)	146.4 (592)	84.9 (610)	115.2 (1,202)

Source: Park, 2003

The intersecting association between employment and social benefits

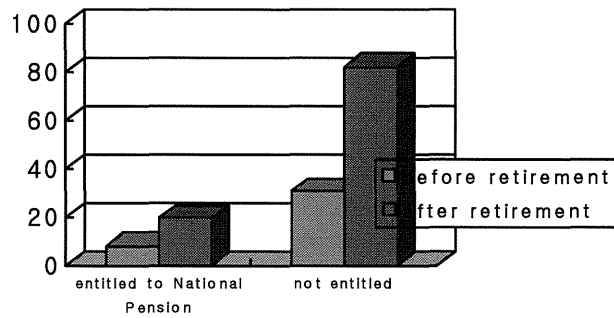
Family Income and Asset Level of Employed Workers, 1999

	Workers entitled to NP	Workers not entitled to NP
Net Family income in the last employment year, 10,000 won (N)	2,735.6 (570)	1,608.6 (583)
Labor income, monthly (N)	212.3 (590)	133.0 (609)
Monetary income, per year (N)	91.8 (589)	25.7 (608)
Real estate income, per year (N)	93.2 (590)	33.0 (609)
Public and private transfer income, per year (N)	11.1 (590)	27.3 (609)
Others, per year (N)	152.1 (590)	98.3 (608)
Debt, monthly (N)	14.8 (586)	12.4 (600)
% of family income under minimum livelihood by family members of the 1998	8.2 (570)	30.7 (583)
Net Asset value in the last year, 10,000 won (N)	2245.9 (481)	283.3 (548)
Financial asset (N)	2067.8 (584)	1,044.5 (606)
Real estate (N)	1344.6 (490)	429.5 (556)
Debt (N)	1126.5 (586)	1099.4 (606)

Source: Park, 2003

The intersecting association between employment and social benefits

poverty rate of employee workers aged 40 to 54



Source: Park, 2003