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Title of Research	Pension Reform and Changes of Old Age Security in South Korea and Japan	
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【Invitation Period】 November 04, 2008 ~ February 28, 2009		
【Counterpart at Kyoto University】 Counterpart Professor / Counterpart Graduate School: Shinkawa Toshimitu / Graduate School of Law Ito Kimio / Graduate School of Letters		
【Titles of lectures / seminars which you attended and names of the lecturers】 -Next Generation Unit Seminar: Comparative Social Policy Team -Lecture: English Presentation Practice, School of Government -Gender Seminar led by Ochiai Emiko (2 times)		
【Report of evaluating your results / achievements of this GCOE Asian Erasmus Pilot Program】 Welfare Transformation in South Korea and Japan: The Cases of Pension Reform <p>My research purposed to analyze and compare pension reforms and changes in old age security in South Korea and Japan. This very short paper has the feature of midterm report in my comparative study.</p> <p>Korean welfare reform under the Kim Dae Jung government has been considered as a fairly interesting case as it seemed to show a growth or construction of welfare state even under processes of globalization and austere structural adjustment launched by IMF and World Bank. However, recently this trend of welfare growth seems to bring to a halt at least in such areas as national pension system. In Korea pension benefit was severely cut by 20% in last pension reform.</p> <p>The pension retrenchment gives rise to following research question; why conditions of welfare growth rapidly disappeared so that it resulted in welfare retrenchment in the case of pension policy and how this sudden turn from welfare growth to welfare retrenchment could be explained. Most of welfare researches for South Korea have focused on issues of developmental welfare policy formation, welfare growth or characteristics of welfare state until this time. And these research trends are facing difficulties to explain recent pension reform, that is, the case of welfare retrenchment. Therefore it can be said that the recent pension reform needs a new framework of welfare</p>		

retrenchment or welfare change in Korean welfare studies as well.

Japanese welfare reforms and studies for them offer good references to study Korean pension reform. Japan already has experienced the welfare change from 1980s on. In Japan issues like rapid population ageing, change of the life style and changing economic system have given rise to needs to reform Japanese welfare system since then. And then, for example, in the case of pension reform, Japanese pension system has changed through several reforms and many research results have been accumulated about them.

From comparing two countries' pension reform come interesting political and social aspects. Firstly, there are weak social bases about social solidarity or social citizenship. There seem some reasons for them. As always economic policy has priority over social policy, there has been implicit social consensus of "growth rather than redistribution." And what's more, existing social policy and welfare system were constructed not from the bottom but from the top by the initiative of the governments and they mainly have targeted on 'middle classes' and 'organized labors'. Therefore there were little chances to experience some kinds of social solidarity through forming welfare state. Secondly, there is a politics of mistrust in the process of pension reform along with weak social supporting bases. In Korea repeatedly occurring rearrangement of both benefit rate and contribution rate related to rapid population ageing and low fertility rate brought to pass broad mistrusts about national pension system. In the Japanese case the 'blame-avoidance-like' pension politics brought about mistrust for pension system from various social groups, especially from young generation. This socially broad mistrust for national pension system in two countries is very unique phenomenon comparing with other European countries.

Lastly, as a result of weak social supporting bases and broad mistrust about national pension system, the old-age-income-security system seems to be changed towards privatization or financialization. And this is closely related with neo-liberal income trend and changing class structures. In western countries the appearance of upper middle class has been noticed since neoliberal reform around 1990s. In Japan, 'gap-widening society' argument has been mushroomed from the start of 21st century. Also, in South Korea, bipolarization in both income and asset has been aggravated after the Exchange crisis. And the new upper middle classes seem to prefer the privatization of social security system and become important supporting group for the present pension reform.

While structural changes are very important motives in welfare reform, its reform process is so much political that paths of welfare reform be determined by it. Therefore welfare politics becomes important in comparative welfare study. Likewise, in pension reform, what is the pension politics like comes to be important factor. Korea and Japan have common things with this political aspect; weak social bases about social redistribution and politics of mistrust.