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**The Development of Social Service:
Education and Health Policies in Korea**

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Two methodological problems found in research on education and health

- input-output quantification bias: the quantity of human resources and facilities of health and education systems, most frequently used as input indicators, cannot explain full details of the “conditions” of healthy, literate and knowledgeable life, and their improvements, to produce outcomes in health and ability - wrong assumption: automatic enhancement of health and education as a consequence of economic growth
- silo approach: neither health nor education can be dealt with in isolation. Health status and attainment of ability and attitude in education are so closely interdependent with other factors that reforms in the fields of health and education are necessarily social reforms that cannot occur in isolation - wrong solution: health (or education) first, education (health) later

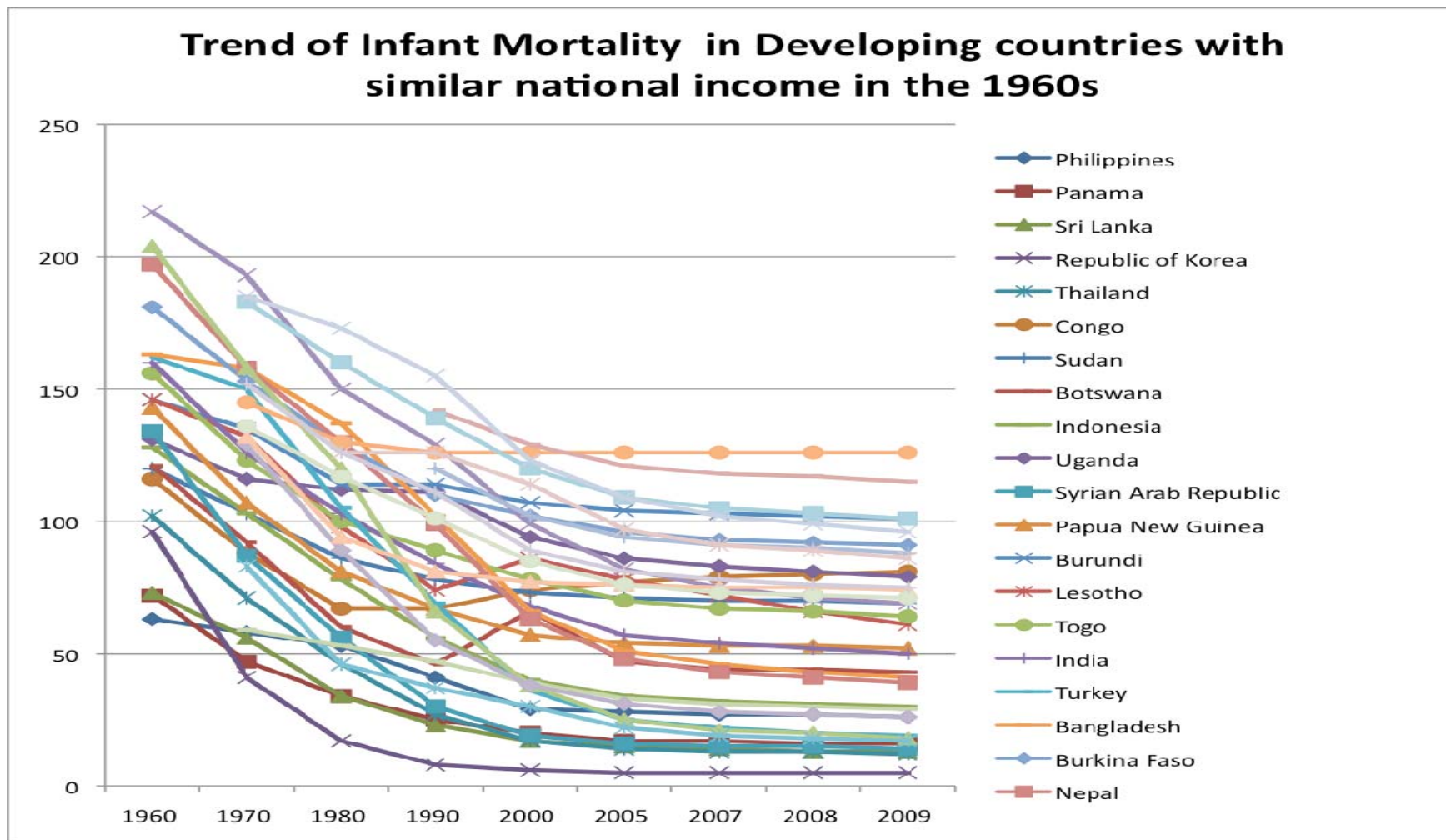


The Korean case

- Korea - successful outcomes in health and education with low income is a case defying the economic-growth centered and silo approach to education and health.
- Improvement with relatively low national income and within broad context of economic and social reform.



Korean case





The Korean Case

- The early enhancement of education and health levels (78% of adult illiteracy rate in 1945 decreased 29% in 1948)
- Drastic enhancement in education and health in the 1960s and 1970s.

country	Male	Female	Total
Pakistan(1951)	21	6	-
India (1951)	29	8	-
Indonesia(1961)	57	30	-
South Vietnam(1962)	23	10	-
The Philippines(1948)	64	56	-
Thailand(1947)	69	36	-
Ceylon(1946)	78	45	-
Malaya(1947)	57	16	-
South Korea (1948)	-	-	71

Adult Literacy Rates
(Myrdal, 1948; Seth 2002)



Dual synergies to transform the education and health system

- Organizational synergy creation (Evans, 1997)
- Functional synergy creation (Mkandawire, 2006)
- Industrial, fiscal and trade policies together with explicit health and education policies play a role of linkage within and between these sectors and domains
- Two conceptually different periods: “critical juncture moments” (“radical shifts”) and “stasis periods” (“long continuities”)
- Identify both formal and informal institutions, i.e. rules of the game to shape the attitude and behaviour of users and providers in health and education which affect education and health outcomes



Policies for Development of Health and Education Sector between the 1940s and the 1950s

- Massive literacy campaign based on nation-building ideology since 1945 (establishment of adult schools by CSOs)
- Concentrating government spending on primary education and creating incentive structure for private sector to invest in secondary and higher education through land reform
- Decentralization of education authority – development of school system reflecting local context
- Relaxing the qualification criteria for teaching staff
- Establishment of modern medicine system
- Incentive mechanism for private health sector: creating dual health market in private sector (expensive hospital care and cheap pharmacy care)



Problems in the 1940s and 1950s

- No linkage between secondary and higher education on the one hand and labour market on the other (bias towards purely academic disciplines and lack of absorption capacity)
- Uneven distribution of health facilities and human resources (health deficit in rural area: only 10 or 20 percent of doctors resided in the rural areas)
- Low quality education and health, in particular for low income groups – lack of facilities and teaching staffs with less qualification
- Specialist-oriented medical system with high costs



The Park Regime: Capability enhancing and translating enhanced capability into actual growth: Education

- Policy to establish the linkage between education and production : from purely academic to skill-learning oriented education
- Strong emphasis on the vocational training and incorporation of public sector (Military) and corporate sector into vocational training
- The government's income policies reduced the income and occupational welfare benefits gap between workers with different years of education



The Park Regime: Capability enhancing and translating enhanced capability into actual growth: Education

- Increasing absorption capacity for skilled and semi-skilled workers through industrial transition from light to heavy and chemical industry
- Strong regulation on private schools : universal curriculum, universal staffing, universal school fees through control and subsidies – “**Public education (*Gonggyoyuk*)** in Korean means **school education** in both public and private schools”
- A compromise between economic rationality and the skewed public demand for purely academic education and “excessive” demand for higher education



The Park Regime: mobilising and redistributing private capacity and resources for public purpose through regulatory measures: Health

- Mobilization and redistribution of private resources : Industrial Accident Insurance and National Health Insurance (limited to large companies but gradually expanded to medium-sized companies)
- Mobilization of private capacity : Conscription of GP level MDs for rural health care (limited success)
- Partnership with CSOs in addressing public health issues (communicable disease control and family planning (problematic from gender perspective!))
- Forcing private sector, in particular big companies, to invest in hospitals outside capital area



In the 1980s: Quantitative Adjustment

- Education: control on the number of university graduates with policy “admission over quota, graduation according to quota” → Failed.
- Health : Gradual expansion of the existing system of industrial accident insurance and national health insurance, but no structural change of relatively expensive fee-for-service system → half success
- Democratization and labour market flexibilization
 - drastic expansion of industrial accident insurance and national health insurance (universalization) but no structural change of relatively expensive fee-for-service system and small benefit package
 - weak linkage between increased graduates of higher education (61%, higher than OECD avg. 56%) and labour market



Concluding Remarks

- The enhancement of conditions of education and health was the results of specific forms of mechanisms to create synergies of different organisations and resources, in particular those in private and public sector on the one hand and synergies of redistribution and production policies on the other.
- In particular land reform, and various policies to mobilise private wealth and capacity for public purpose were critical to scale up the institutions for education and health.
- Consistent compromise between the public and private sector was the norm even under the authoritarian regime



Concluding Remarks

- A specific form of synergy creation mechanism also creates complex problem demanding a new form of synergistic mechanism. The recent crises over the financial difficulty due to the high price of health delivery and increasing unemployment of the youth with higher education are demanding innovative ways to create a new type of synergy to solve the problems.



Thank you