STRUCTURAL AND IDEOLOGICAL BARRIERS THAT PERPETUATE THE IMPLEMENTATION GAP IN SOUTH KOREAN WOMEN’S EMPOWERMENT POLICIES

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ABSTRACT

This thesis examines the structural and cultural barriers that perpetuate the implementation gap in South Korean women’s empowerment policies, while asking the primary research question: despite having a strong women's empowerment policy why does South Korea have such a massive policy implementation gap to rank the lowest for women's empowerment consistently? Many scholars have argued that the Confucian cultural roots and resulting gender-biased ideology is the main barrier to integrating and advancing women within the South Korean workforce. However, closer examination calls for this argument to be extended to for a need to reexamine existing policy which never attempted to address the situational context: a gender-biased economic development model and workplace structure fueled by a sexist cultural ideology. More directly, I argue that the implementation gap in women's empowerment policies in the South Korean workforce is a combination of the government's laissez-faire approach to women’s empowerment that allows for glaring structural work-life balance issues to persist, solidified by cultural ideology. Issues that structurally contribute to work-life balance include 1.) Insufficient tangible support for childcare by the South Korean government 2.) Excessively long work and overtime expectations, and 3.) Overdependence on the private sector to support women’s empowerment. In turn, the incompatibility of work and domestic responsibilities force
South Korean women to exit the workforce. The exit of women results in the mitigation of the significant economic potential that South Korean women’s empowerment policies possess should they be implemented. Furthermore, work-life balance issues cause the accentuation of underlying sexism in the creation of a gendered workforce with the overrepresentation of women in temporary and entry-level positions, in addition to hiring and promotion practices, and normalized gender roles.
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Introduction

The 2016-2017 Candlelight Struggle, a series of protests by millions of South Koreans against President Park Geun-hye for her corruption scandal that resulted in her impeachment, proved the power of the South Korean people to exercise democracy for a united cause. However, when the #MeToo Movement, established to visually spread awareness of the magnitude of sexual assault and harassment, particularly in the workforce, arrived in South Korea, instead of united empathy for the survivors, it faced backlash as a movement aimed at unfairly attacking men.¹ In response, some South Korean workplaces have turned to the “Pence Rule” named after United States Vice President Pence for his 2002 comment² that aside from his wife he never eats alone with a woman. In the context of the #MeToo movement, some South Korean men started to practice the Pence Rule by actively avoiding interactions with women for fear of being accused of sexual assault or harassment.³ Some male office-workers even avoided speaking directly to female peers and instead only communicated via messaging applications. In other instances, men requested to be exempt from any business trip that included female colleagues.⁴ The sad irony is that the fear was unfounded, as statistics prove that sexual harassment is prevalent and not prosecuted. In a 2018 United Nation's report of more than 2,100 reported workplace sexual assault complaints in South Korea filed from 2012 to 2016, only 9 cases faced prosecution.⁵ Furthermore, leading CSIS Korea Chair experts Dr. Sue Mi Terry and Lisa Collins, who as

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women have lived in South Korea for significant periods of their lives, assert “we have personally witnessed, experienced, and heard stories about predatory behavior for years. All the Korean women we know have been victims of inappropriate sexual comments, touching and molestation by strangers, or even drunken assaults by male friends and colleagues.”

This prevailing cultural normativity perpetuates the sexualization of women, which allows for the social acceptance of the Pence Rule. This acceptance translates into the prevention of all women from literally working with their male peers solely based on their sex, with an added misguided fear of a false allegation. Moreover, the Pence Rule makes the confined assumption that sexual assault and harassment is between a vulnerable female and strong male structure. Evidence of the severity of this ideology is in the South Korean Ministry of Gender Equality and Family’s March 20th, 2018 creation of a “Task Force on Spreading Gender Equality Culture (TF) [which consists of] 10 tasks on spreading gender equality culture to eliminate sexual harassment and violence.” Considering the toxic ideological setting of sexual assault and harassment of females in the South Korean workforce, raises the broader question: how much of an influence does this ideology make on the substantial gender gap in the workforce?

However, what is most puzzling is that South Korea also boasts one of the most advanced women’s empowerment policies in comparison to other Organisation for Economic Co-operation and Development (OECD) countries. Thus, my primary research question is despite having a

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6 Terry, Sue Mi and Collins, Lisa. South Korea is in the Middle of its Own #MeToo Movement. March 27th, 2018. Center for Strategic & International Studies, CSIS Korea Chair. https://www.csis.org/analysis/south-korea-middle-its-own-metoo-movement

7 “The Task Force on Spreading Gender Equality Culture (TF) announces 10 tasks on spreading gender equality culture to eliminate sexual harassment and violence” Republic of Korea Ministry of Gender Equality and Family. Published online March 20th, 2018. http://www.mogef.go.kr/eng/pr/eng_pr_s101d.do?mid=eng001
strong women's empowerment policy why does South Korea have such a massive policy implementation gap to rank the lowest for women's empowerment consistently?  

As suggested by the backlash to the #MeToo Movement, many scholars believe that the issue of South Korea’s women’s empowerment policy gap lies in barriers of cultural ideology that women are responsible for the domestic sphere. Even when South Korean President Moon Jae-in expressed his support of the #MeToo movement he also noted that the sexual harassment and assault of females in the workplace stems from a cultural normativity in that "it cannot be solved by the law only. It is a matter of change in culture and public recognition."  

However, I would take this argument a step further for a need to reexamine existing policy which never attempted to address the situational context: a gender-biased economic development model and workplace structure fueled by a sexist cultural ideology.

More directly, I argue that the implementation gap in women's empowerment policies in the South Korean workforce is a combination of the government's laissez-faire approach to women's empowerment that allows for glaring structural work-life balance issues to persist, solidified by cultural ideology. Issues that structurally contribute to work-life balance include 1.) Insufficient tangible support for child and elderly care by the South Korean government 2.) Excessively long work and overtime expectations, and 3.) Overdependence on the private sector to support women’s empowerment. In turn, the incompatibility of work and domestic responsibilities force South Korean women to exit the workforce. The exit of women results in the mitigation of the significant economic potential that South Korean women’s empowerment policies possess.

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should they be implemented. Furthermore, work-life balance issues cause the accentuation of underlying sexism in the creation of a genderized workforce with the overrepresentation of women in temporary and entry-level positions, in addition to hiring and promotion practices, and normalized gender roles.

Regarding methodology, I conducted a paired comparison of South Korean public and private efforts to implement women’s empowerment policies. Sources include the national documents specifically from the South Korean Ministry of Gender Equality and Family Planning reports and white papers. Also, supplementary resources include corporate annual reports, and secondary sources such as the Korean Herald newspaper, and academic work by feminist scholars and business professors. I drew my sources from the fields of mainly economics, law, and international relations. Regarding structure, this paper will first outline the significance of South Korean women’s empowerment policies implementation, then describe and define the use of cultural ideology related to women in the workforce, followed by an investigation of the three structural barriers, the outlook for implementation, before concluding with limitations and future research opportunities.

*Significance*

South Korea's rapidly aging population poses a mounting demographic challenge. With one of the lowest birth rates in the world (1.2), Korea is also one of the world's most rapidly aging societies. The working population was projected to peak in 2017 and quickly decline after that, depressing potential employment and economic growth. According to a March 2018 South Korean government report, the overall population is expected to start declining after 2031, with

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projections to fall to 45.24 million in 2060, with negative implications for domestic demand.11 In accordance, over the long term, fiscal pressures will mount to provide care for the aging society. The Korean government's projections show debt reaching 60 percent of GDP by 2060, but a slowing growth rate and the potential costs of possible future reunification with North Korea could push debt far higher and make fiscal consolidation a top priority.12

As a nation that heavily relies on an expanding labor force to support export-oriented growth, the necessity of change to face this challenge is mounting. In 2017 Statistics Korea estimated that the working-age population (aged 15-64 years) of South Korea increased from 13 million to 37.63 million in 2016; however, it began to decrease in 2017 to 37.62 million with projections to rapidly decline in the future.13 Some estimate that by 2050 the percentage of people aged over 60 years will increase to 41.6 percent.14 There are valid arguments for robot replacements, more open immigration, and better inclusion of the elderly. However, the costs of waiting for robot development; the resulting decrease in government pension payers, government bond buyers, and consumers as the population decreases; difficulties in changing domestic views on immigration; and issues with long-term sustainability ultimately mitigate the success of these solutions. However, women are already a readily available and integrated resource within society, educated, and capable of working. In a game against time, the successful implementation of South Korean women's empowerment policies proves beyond a specialty issue to that of necessity for sustainability.

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13http://world.kbs.co.kr/english/program/program_economyplus_detail.htm?No=6005
In purely financial terms the underutilization of nearly 50 percent of the population is a grave mistake, particularly in South Korea with increasing demographic dilemmas rapidly impacting the workforce. The simple way to calculate GDP is that it is equal to the number of people working times the amount they can produce. In South Korea where the number of people is declining and not being replaced there is a heightened demand to get all people working to avoid an economic crisis, not to mention an inability to physically defend against other states if infertility is left unaddressed, heightened by the North Korean threat. There is a tangible incentive to integrate women’s empowerment policy in South Korea and around the globe. As a study by McKinsey Global Institute found in a “full potential” scenario in which women participate in the economy identical to men would add up to $28 trillion, or 26 percent, to annual global GDP by 2025 compared with a business-as-usual scenario. McKinsey indicated gender equality "based on equality in work, essential services and enablers of economic opportunity, legal protection, and political voice, and physical security and autonomy."\(^{15}\) Thus, the ambition of filling the gender gap should be to achieve a "full potential" scenario where women can participate in the economy identical to men.

\textit{A Sponsor of all Structural Barriers: Cultural Ideology}

Pushing against a full potential scenario is an embedded cultural ideology. In this paper, cultural ideology refers to the historical legacy of Confucian cultural influence on South Korean society. The basic principles of Confucianism outline strict social relations that assume “separate” and

“unequal” roles for women and men as natural. As outlined by Ewha Womans University Professor, Sook-Yeon Won, this philosophy translates into the assumption that since the "primary place of women is in the family (private sphere), women-related issues are supposed to be solved within the family rather than in the public sphere." In the modern day, South Koreans largely accept the notion of working women; yet, the conditions of the public sphere have not sufficiently adapted their culture to address work-life balance issues that continue the cultural ideology of women being primarily responsible for domestic work. According to American feminist economist at the University of Massachusetts, Nancy Folbre, the undervaluing of private sphere work as "unproductive housework" allows the public sector to establish a further distance from addressing distribution issues within policy. This distance between the domestic and public spheres reflects a new era of Confucian gender roles, where instead of the explicit prohibition of women from the workforce the expectation of women to be responsible for the majority of domestic sphere results in an incompatibility to work and have a family. Legally this shift from formal to informal gender roles occurred in 2005 after South Korean President Roh Moo-hyun abolished the Hoju (호주) family registration system: a legal system where men are the official household head, including financially. Despite the abolishment of the family registration system, expectations of Korean males continue to emphasize their contribution to the family in financial terms. While Korean men have access to the workforce, they suffer various

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work-life balance issues where workforce demands mitigate their ability to physically spend time raising their families and taking part in significant life events.

Beyond the formation of gendered roles, cultural ideology also normalizes the notion of both men and women sacrificing for the "common good" under the values of Confucianism. We can observe the concept of the common good within the Korean language’s use of *uri* (“우리”) which roughly translates to “our.” However, the word uri is not limited to objects of actual possession, but expands to describe all citizens of Korea under the notion of “our.” For instance, instead of “my school” one would say “our school,” moreover, the use of *uri* extends into immediate families where a neighbor may refer to your mom as “our mom” even if your neighbor has no blood or adopted relation to your mom. This notion of being a part of a community group in Korean society emphasizes others. “Rather than being conceived and experienced as separate entities, selves are lived as relational part of a greater whole.”  

20 This intense attachment to the group translates into the cultural ideology of sacrificing for the benefit of the group. Examples of sacrifice for the common good include women staying silent regarding discrimination from sexual harassment and assault to biased promotions for fear of ruining their or their supervisor’s career, the company’s image, or causing conflict and or tension in the workplace. In a society where one is conditioned to place the group above the individual, pregnancy itself translates into a burden for your work peers in that they will have to take on your workload. Since pregnancy is a burden for the group, it has implications for discrimination in hiring and promotion practices. Evidence of gendered hiring and promotion practices include the overrepresentation of women in primary teaching professions and their

underrepresentation in technology, financial, government, and managerial positions. Skewed promotion practices are evident in that of the 500 largest firms in South Korea only 2.7 percent of executives are women. This statistic further illustrates that the Pence Rule is incompatible with women in the workforce as it is inevitable that should females desire to advance they will have to interact with males. More broadly, the 2017 World Economic Forum Global Gender Gap Report demonstrates the massive gender gap where South Korea's female labor participation continues to fall below many other leading economies in the world, and the overall gender gap rank is 118 out of 144.

Beyond the statistics, first-hand accounts from women at the top of the South Korean workforce demonstrate this notion of cultural ideology. In the Center for Strategic & International Studies’s (CSIS) September 2017 panel discussion: Advancing Women's Economic Opportunities, United States, Japan, and South Korea, female CEOs in Asia discussed this gender-biased culture of the workforce. South Korean CEO Jie-Ae Sohn stated that "currently the appointment of female CEOs in Asia largely comes from women appointed to positions of power after serving in multinational corporations that provided them with backgrounds that nurtured women more than traditional Asian corporations." This reflection from a top female executive in South Korea illustrates that attempts to promote the advancement and integration of women within the workforces remain weakened by this cultural ideology.

It is important to note that Jie-Ae Sohn extends the argument of poor workplace culture beyond South Korea to traditional Asian corporations, which are united in Confucian roots. In a comparative study of Japanese and United States workforce cultures, a survey conducted by the Center for Work-Life Policy in 2011, found that a 63 percent majority of 1,582 surveyed Japanese women indicated they left their jobs due to “push factors.” Push factors mean unfavorable “working style” conditions. Working style conditions included dissatisfaction with their jobs, lack of career mobility, inflexible working conditions, and unequal salaries.\(^{24}\) This argument directly applies to the South Korean workforce where the poor working environment for women in South Korea has reflected in the Economist’s 2017 Glass-Ceiling Index: Environment for Working Women. In the ranking, South Korea ranked dead last, followed by Japan at 28 out of 29, and the OECD average at 19.\(^{25}\) In addition to gender norms, a major structural issue that exacerbates these poor working conditions is the large discrepancy between full-time “regular workers” and part-time “irregular workers.” Full-time employees receive more cultivation, benefits, and advancement since they are a long-term investment. In contrast, since irregular workers are temporary, they become expendable. As previously mentioned, the irregular worker section is disproportionally women.

\textbf{Structural Barrier 1: Insufficient Care Regime}

If cultural ideology influences the continuation of poor working conditions and the positioning of women into the irregular worker section in South Korea, structural barriers turn this influence into permanent bindings. The first major structural barrier is insufficient and low-quality care regimes. From photos of President Moon Jae-in with childcare toddlers to goals of increasing the


proportion of national and public kindergartens and child care centers by 40 percent by May 2020, improving daycare services appears to be at the forefront of the Moon administration’s concern for the care deficit. Despite this initiative for increased child care facilities, which added 373 daycare arrangements by the end of January 2018 with plans to add 450 within the 2018 calendar year, government daycare facilities account for only 6.2 percent of facilities. Meanwhile, waiting lists and costs of private childcare remain high while the quality is low. According to a study of 1,045 Korean mothers by the Korea Institute of Child Care & Education, 43 percent of the mothers cited their biggest concern in child rearing was “the lack of trustworthy child care facilities during work hours.” For instance, many private daycare facilities run "all-day" programs, but the program does not cover the entire workday, but rather 10 am to 3 pm moreover, other facilities reported unsafe environments from over-enrollment to equipment safety violations. Meanwhile, the demanding work hours leave a major time gap that forces families to find alternate childcare in addition to the private care facilities. Adding to the issue of quality of childcare centers is the South Korean government’s July 1st, 2016 "customized child care" initiative. The initiative reduced the maximum daily public daycare usage for children within single-earning households from 12 hours to 6 hours. While the initiative aids in opening up spots for children from dual-income households in the hope of retaining more women in the workforce, childcare facilities site major losses in revenue which highlights the initial problem of

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unaffordability of the centers for many dual-income households. Thus, South Korean private childcare facilities overwhelmingly represent an opportunity cost concerning inflexible and short operational hours, costs, and service in comparison with staying at home; while the public facilities do not sufficiently cover the demand. This structural insufficiency of care reinforces the cultural ideology of women in their late 20's, and early 30's forsaking employment for child-rearing duties.

Beyond the 98,000 children on waiting lists for national childcare services, it is estimated that the drop from 70 percent of females working in their 20s to 55 percent of that figure between the ages of 30-34 on account of child-rearing responsibilities. This dramatic decrease in female economic participation represents the thousands of mothers who have given up the hunt for adequate childcare and exited the workforce. In turn, expanding the number and reducing the costs of childcare facilities not only provides relief for work-life balance challenges to young childbearing women but also provides infrastructure to support higher fertility rates. Without proper care support networks in the form of affordable and available childcare facilities that match working hours, the issue of low fertility will only grow in the future. In the insufficient care regime, the South Korean workforce will also diversify and reduce strains on the labor supply.

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Structural Barrier 2: Intensive Overtime Expectations

Briefly mentioned in structural barrier one was the intense work hour demands of the South Korean workforce. According to a 2016 Organization for Economic Co-operation and Development (OECD) report, South Korea ranks second behind Mexico in terms of the most hours worked annually within the OECD.33 South Korean workers average 2,069 hours a year, in comparison to the United States average of 1,783.34 This workforce structure presents an incompatibility of having both a full-time position with 12-hour workdays while simultaneously raising a family. In consequence, the long work hours results in the preservation of the cultural ideology of women taking responsibility for the domestic sphere. This inability to meet the demands of both the public and domestic spheres is related to Torben Iversen and Frances Rosenbluth's book *Women, Work, and Politics: The Political Economy of Gender Inequality*. Their book demonstrates that the over proportionate demand for women's labor inside of the home, which is a function of structural, political, and institutional conditions directly relates to inequality.35 In the South Korean case, Korean men spend the least amount of time on household chores: 45 minutes a day, a third less than the OECD average of 139 minutes.36 In contrast, according to the Seoul Foundation of Women and Family's report, working mothers spend approximately 3 1/2 hours a day on household chores.37

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It is vital to state that the issue at hand is not whether being a stay at home mom is more or less meaningful than being a working woman. Instead, the problem is regarding the inability to choose. As it should be a woman's free choice to be a full-time housewife and not the decision made as a result of incompatibility of work and having a child. Comparing and valuing one life path versus another does nothing to change the accessibility of career options and integration of South Korean women into the workforce. This misguided thought process: questioning a women's choice in isolation instead of first investigating women's free agency to make said choice due to societal and institutional impediments, was previously shared by South Korean policymakers. Former South Korean President Kim Dae-jung’s 1997 campaign promise for an "a women-friendly president" illustrates this disconnect between free choice and structure. While President Dae-jung attempted to increase female labor participation by setting new quotas for female representation in parliament; his policy fell short because it did not address the incompatibility of both work and family responsibilities. Thus, while his policy improved female parliament participation rates from 5.9 percent in 2000 to 13 percent in 2004, they fell substantially behind his original 30 percent ambition.\(^{38}\) This unawareness of structural barriers to work-life balance may explain the inadequate implementation of work-life balance policies by the South Korean government.

On a brighter note, in March 2018 a major policy shift occurred when President Moon Jae-in was able to get the National Assembly to pass a bill to lower the total number of weekly working hours from 68 to 52 (40 regular hours plus 12 hours of overtime).\(^{39}\) Firms with over 300 employees will need to comply with the bill by July 2018, where the failure of employers to


comply will result in the penalty either jail time of fewer than two years or a fine of 10 million Korean won ($9,200USD) fee. The vulnerability of the penalty system is the dominance of South Korean chaebols: family-owned conglomerate firms including Samsung and Hyundai, which contribute the majority of the GDP. The firms received significant government subsidies to support economic growth in the 1970s, and in turn became national champions. Unfortunately, the chaebols have a track-record of abusing the law with the safety net of “too big to fail” considering their economic importance to the South Korean economy. Thus, with chaebol firms like Samsung who made $50 billion in profit for 2017 despite the arrest of an heir on corruption allegations, and Lotte who despite massive Chinese economic retaliation still earned USD 25.45 billion in sales for 2017, a USD 9,500 fee in comparison is insignificant. Thus, while the intention of the plan is laudable, the enforcement appears to be weak when set in the context of profit margins and opportunity cost for the firms to alter their business models.

**Structural Barrier 3: Overdependence on the Private Sector**

Also related to the chaebols’ business structure is their dramatic lack of incorporating women’s empowerment structures within their corporate models or company benefits, despite the government’s financial overdependence on them to practice gender equality measures. This contradiction is evidenced in South Korea holding one of the most extensive maternity and paternity leave policies, but assigning the responsibility of payment for the policy to the chaebols. In South Korea, according to the 2014 Labor Standards Act, both parents have access

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to 15 months of paid leave, and any individual is entitled to 12 months of leave until the child is eight years old.\textsuperscript{43} In writing, the leave policy sounds excellent; however the application lacks financial support. This lack of support is evident in that public expenditure on maternity and parental leave is USD 1,264, only a tenth of the OECD average.\textsuperscript{44} The insufficient public support means that the private sector is responsible for paying the majority of maternity or paternity leaves. In the context of a chaebol dominated economy, this results in the chaebols paying for two-thirds of the maternity and paternity leave.

As profit-driven organizations, this presents a greater opportunity for gender discrimination in hiring and promoting practices.\textsuperscript{45} Gender discrimination can be used to the firm’s advantage by maximizing women workers in temporary non-advanceable positions, which allows the corporation to continue to pay women less. The large 39 percent wage gap (29 percent gap among youth) confirms the corporate sector strategy to pay women less and limit advancement.\textsuperscript{46} In reinforcing the glass ceiling, firms can avoid having to pay more expensive maternity leave since the law mandates that firms to pay at least 40 percent of one's regular salary during the leave.\textsuperscript{47} To pay less for leave, firms encourage women to take maternity leave instead of men to leverage the wage gap. This structure of gendered roles is evidenced in that in 2014 a total of

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only 4.5 percent of fathers took parental leave.\textsuperscript{48} These discrimination practices normalize the underlying assumption that females are responsible for children rearing. This persistent cultural ideology shields the government from having to sufficiently expand financial support for maternal/parental leave or investigating these gendered practices of firms.

Beyond the lack of financial support from the government for leave, there is a major void in programs to facilitate the reintegration of men and women into the workforce post-maternity and paternity leave. The only specific policy is South Korea’s \textit{Article 13 of the Act on Promotion of Economic Activities of Career-interrupted Women}, which attempts to help reintegrate women into the workforce via workshops to build broadly transferable career skills.\textsuperscript{49} However, this does not protect or aid in a worker’s reintegration into their old position. Furthermore, this act also fails to address the unequal distribution of domestic work post childbirth. Since the private sector has no incentive to pay women more, or guarantee their positions, this allows the continuation of hiring and viewing women as temporary workers. Insufficient work reintegration support is illustrated by a 2015 poll of 3,000 South Korean firms, where over 80\% of the firms said that only one-third of female employees return after maternity leave.\textsuperscript{50}

To avoid the massive exit of women from the workforce corporate ideology related to female workers needs to be altered to view women as potential full-time and advanceable workers, while the public sector needs to expand funding for reintegration programs. From an economic


viewpoint, confining women to temporary positions in the assumption that they will exit for childbearing duties, puts projected profits over fundamentals. Projected profits over fundamentals would mean to buy a house based on a housing bubble, overspending based on current rent earnings. Concerning hiring, this is viewing women as if they will certainly exit the workforce instead of assessing the growth potential of the employee based on their immediate skillset. Therefore, the assumption that women are not investment worthy within a career not only reinforces gender roles but makes the firm loose out on a significant pool of potential resources especially considering that more women graduate with advanced degrees than men in South Korea. Meanwhile, the South Korean government has an incentive beyond the economic benefit: combating low fertility. As outlined by Leonard Schoppa in *Exit, Voice, and Family Policy in Japan*, Japanese women are forced to exit from either motherhood or the workforce which leads to less fertility as a consequence of this uncompromising system.\(^{51}\) For fear of being seen as unpromotable material or uncommitted to their job many women even elect not to get married at all, only adding to the infertility problem. This issue extends to both sexes, as the importance of family in the formation of identity is increasing for both sexes. In turn, even males are electing to not have children due to the intensive work requirements and increasing living costs, which inhibit the ability to provide and care for a family adequately. There are even cases where women who elected not to marry or have kids to pursue their career internalize the inherent sexism of this forced choice, and in turn, judge the women who choose to quit to raise a family.

Seeing females as both a long-term firm resource and mothers means that companies would need to attract women by acknowledging multiple roles: offering more family-related benefits, and better work-life balance. It is important to note that while family-related benefits will directly help females join the workforce, they will also allow males to take on a more significant domestic role. Other corporations in Asia have begun to offer family-related benefits including Goldman Sachs’s "Returnship Program." Returnships, are a "program [that] aims to bring back women who left the financial industry by giving them the opportunity to experience different divisions at the firm, and several of these women are eventually offered full-time jobs after the program…Goldman Sachs also solved the daycare problem by establishing a daycare center facility near its Tokyo office which has been an amazing recruiting tool." The returnships illustrate how private firms can leverage family-related benefits to recruit a more diverse pool of talent and provide flexibility in career paths to retain highly skilled talent.

**The Outlook for Implementation**

A welcome indication of change is the expansion of South Korea’s gender-responsive budget from 3.7 percent in 2010 to 7.4 percent in 2017. Furthermore, the South Korean government’s Statistics Korea notes that the percentage of married women exiting the workforce between the ages of 15 and 54 fell from 22.4 percent in 2014 to 20 percent in 2017. Also, the 1999 Act on Support for Female-Owned Businesses amended on July 30th, 2013 to include further mentorship

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52 Goldman Sachs Returnship Program. *Start Your Journey Back to Work with the Goldman Sachs Returnship® Program* http://www.goldmansachs.com/careers/professionals/returnship/
and subsidies from the Administrator of the Small and Medium Business Administration.\textsuperscript{55} However, the following question remains: will the budget be used to alter the structural and cultural ideological barriers that perpetuate work-life balance issues that mitigate female agency to participate fully in the economy?

To more holistically look at the problems with integrating and advancing females in the South Korean workforce, the South Korean government could leverage lessons from the case study of Japan. Japan makes an interesting comparison considering that they too are facing similar women’s empowerment issues and a daunting demographic challenge. Whereas South Korea has a significant set of women's empowerment policy that is lacking in implementation; Japan needed to create women's empowerment policies and has since worked on implementing said policies. Japanese women's empowerment policy is under Japan's Abenomics economic strategy, within the new growth strategy entitled "Womenomics" policy. Womenomics is a term coined by Kathy Matsui, Vice Chair of Goldman Sachs Japan and Chief Japan equity strategist for Global Investment Research, in a 1999 economics based report of the same title.\textsuperscript{56} Womenomics refers to the notion that ending gender workforce role discrimination, and implementing structural reform to increase female participation in the workforce, will lead to a positive credit outlook for the Japanese economy. In 2012, Japanese Prime Minister Abe directly took Matsui's suggestions and established a Womenomics policy, a set of structural reforms to aid in the integration of women into the workforce set within his "Abenomics" economic plan.\textsuperscript{57} Kathy Matsui made the

\textsuperscript{55}“0.6 Act on Support for Female-Owned Businesses.” Republic of Korea Ministry of SMEs and Startups. Published online 2013. Accessed April 2018. http://www.mss.go.kr/site/eng/02/1020300000002016111504.jsp


\textsuperscript{57}“The Japan Plan for Dynamic Engagement of All Citizens,” The Office of Prime Minister of Japan and his Cabinet, June 2016.
argument that women in the workforce was not only for the sake of women's empowerment, but also for economic necessity. As the demographic threat of a shrinking population forecasts a precarious future for Japan's projected labor productivity, there is a need to diversify and strengthen Japan's workforce.

In the context of South Korea's women's empowerment policy, it is not necessarily the creation of policy but an awareness of the barriers to implementation and the necessity of the policy that is important. The question of whether South Korea will implement and support their existing policies is a matter of priority. Should South Korea require chaebols, in particular, to restructure their work structure to optimize work-life balance, and financially support a more significant care regime, then the outlook is positive. However, if South Korea continues to shy away from the responsibility to alter the existing work-life balance issues, the current policy implementation gap will remain high. The South Korean government could learn from many of the campaigns utilized by the Japanese government to promote its Womenomics policy. Making the public aware of the lasting impacts of the gender gap on society and the economy at large is not only convincing but a grave necessity.

Personally, my outlook projection is pessimistic in the short-term. In a nation where student-life balance barely exists, the notion of accomplishing a work-life balance will require a significant alteration in thought and structure, specifically in establishing shorter working hours. Especially considering that South Korea takes great pride in their historical leveraging of human capital that led to dramatic economic growth. GNI per capita increased by 53,317 percent from 67 USD in 1953 (right after the Korean Armistice Agreement) to 35,790 USD in 2016, in the short span of
approximately 60 years. As South Korea has grown economically, their export-oriented economy has also advanced in the products produced while international competition has increased. South Korea's economy is export-oriented and mostly undiversified with 47% of growth attributed to exports. The export volume and composition is likely to remain unchanged throughout 2021, creating a vulnerability to external demand. However, according to the Korean International Trade Organization (KITA) semiconductor exports amount to 13%, wireless communications devices make up 6%, and flat panel displays and sensors make up 5%, which contributes to growth potential in future/technology related exports.

This shift to high technology exports offers the potential for a positive long-term projection of change in work-life balance structure because to remain competitive and keep up with international demand it is vital for the South Korean to retain its workforce. In the context of a demographic challenge, means including women. Furthermore, total factor productivity (TFP) is requisite for sustainable growth. The prerequisite of TFP for sustainable growth is backed by the Solow Model, which states that low-income countries will experience high initial returns on investment in capital and factor accumulation. However, due to diminishing marginal returns on these investments, sustained growth is derived from technology and innovation as represented by TFP. The Solomon Model proves that work-life balance is not mutually exclusive to economic development, as innovation is not a derived from sheer labor input. Furthermore, work-life balance not only provides a better quality of life and accessibility for women in the workforce

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but forces employees to focus on making the most of their time instead of procrastinating merely to stay in the office physically.

**Conclusion**

Work-life balance issues perpetuate underlying stereotypical gender roles that force women out of the workforce for domestic responsibilities. Therefore, there is a necessity to reexamine the free agency of female workers to utilize existing women's empowerment policies in the context of preexisting gender bias structures within the South Korean workplace. Considering that the gender-biased private sector holds the responsibility of enforcing the majority of women's empowerment policies emphasizes the vulnerability in the efficiency and implementation of the policies. Therefore, work-life balance policy including the March 2018 revised working hour bill, demands a follow-up for its implementation. Furthermore, demographic challenges in juxtaposition with women as a significant untapped resource for the nation illustrates that the potential of women's empowerment policies implementation extends beyond an isolated benefit of advancing women.

Limitations of my research include the inability to examine small and medium enterprises practices more thoroughly, and more specific gender equality practices of international firms operating in South Korea. Another factor related to gender equality that merits more investigation is household debt in South Korea. In 2017, South Korean had elevated levels of household debt, reaching 90 percent of nominal GDP and 169 percent of disposable income mainly driven by mortgage debt. More than half of the mortgage loans are non-amortizing loans with a floating interest rate, making households subject to potential interest rate increases and a
decreased spending power. This increase is harmful because high leverage could hinder consumption and economic growth in the medium and long-term, potentially leading to unemployment and a further decrease in aggregate demand. The government introduced a refinancing scheme, converting 10 percent of these mortgages into amortizing fixed-rate loans. The goal is to achieve an interest rate asset-liability mismatch for the banks that will be offset by the government-funded Korea Housing Finance Corporation (Aa2 stable), where banks can transfer fixed-rate mortgages. Researching the efficiency of this policy is interesting in the context of gender equality. For many South Korean families to repay the loans will require two incomes. The extreme cost for child and elderly care, and barriers to women's full-time employment pose a further barrier. Therefore, investigating the interconnectedness of household debt burden and women in the workforce would be interesting.

The second area for further research is investigating the exact amount the South Korean government could feasibly invest in women's empowerment policies implementation. South Korea's high economic, institutional and fiscal strength gives the government more flexibility in subsidizing various initiatives. Following the 1997 financial crisis, South Korea implemented strong fiscal prudence, which resulted in lower government to debt ratios than comparable countries. Korea's “Very High” fiscal strength is a reflection of the government's sound fiscal measures, the low external debt, and the country's budget surpluses. It also has consistent low gross financing needs, which amounted to just 2.4 percent in 2016 among the lowest in the OECD. Compared to other OECD nations, Korea has low public debt. The ratio reached 39 percent percent by 2017. The low public debt level will continue to provide Korea with increased flexibility to tackle domestic structural and fiscal reforms that will reinforce economic growth.
and stability in the next several years. The IMF 2016 Korea report notes that South Korean foreign currency denominated debt is only 1 percent of their debt. This minimal exposure to foreign currency significantly reduces potential debt burden vulnerability that would otherwise arise from international interest rate and currency fluctuations. Moreover, since South Korea issues more than 98 percent of Korea's debt in local currency, the government has a buffer from fluctuations in foreign currency and interest rates.\textsuperscript{61} The South Korean government has also retained considerable fiscal space to manage these challenges; which therefore presents a potential for a large budget for women’s empowerment policies implementation. Obtaining a better understanding of the allocation of budgetary resources will provide deeper insight into the priorities of the South Korean government.

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