

I. Education and development: the Korean Experience

Features of education development in Korea

- government-led education growth
- mass provision of education opportunity
- low-cost investment approach
- linking education for economy needs
- high public engagement in education
- strong belief in education for social mobility
- dynamic social mobility in Korea

Model of a linking education policy to skill needs
vocational education programs
Lessons of what strategies are effective at growth stages
successful strategy at earlier stages
now over-regulated and over-planned
system with less flexibility.

II. Problems and Issues in Transitional Society

Discontent on Public Education System

Race for Higher Education:

 Weakening of Social Mobility

Rising Costs of Education:

 ability to pay vs. ability to achieve

Education Polarization:

 Constraints for Social Integration

Adverse Employment Prospects for graduates

Discontent on education system in Korea

Despite success and achievement in development stage
Problems and constraints emerging in transitional society
Quality of education
Learning experience of the majority
Growing dissatisfaction of education

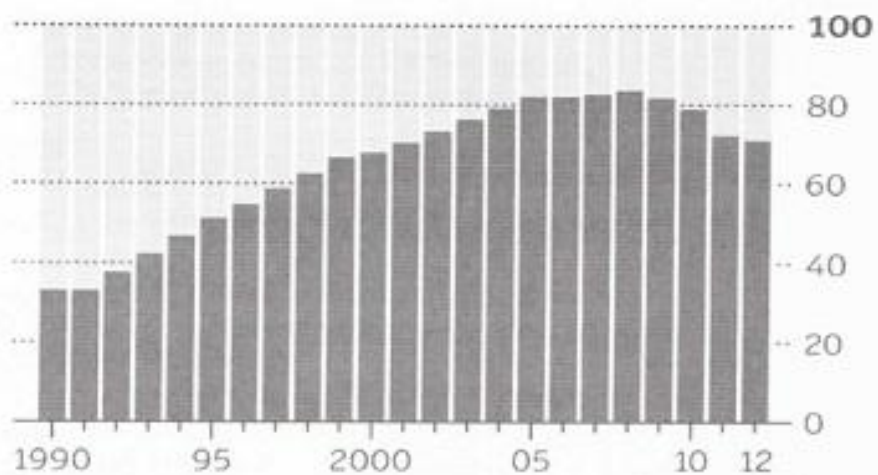
Learning competition

There is a fierce competition for higher levels of schooling and especially for admission into elite colleges.

It is so intense that the lessons at lower school levels often deviate from required curricula to prepare for college entrance examinations.

There is a tightening labor market for new graduates, especially for those with credentials from less-reputed universities adding to competition.

<Figure1> High School Graduates Entering University



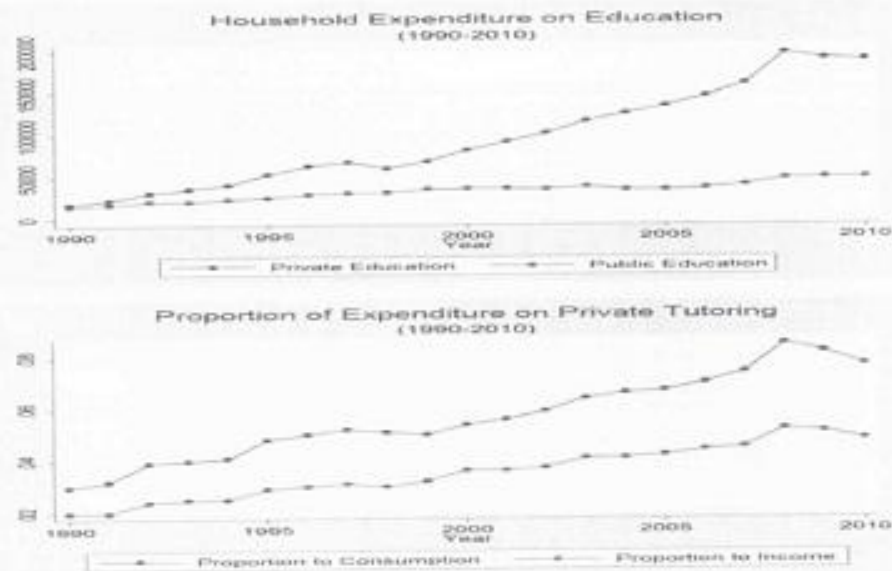
Source: National statistics

Private tutoring cost and education polarization

Huge expenditures for parents on private tutoring, including individual or group tutoring, instruction from for-profit institutions

Children from wealthier families a significant advantage in the competition to get into the best schools.

<Figure2> Private Tutoring Time Trend



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Table1. Summary Statistics from Survey of Private Education 2010

Variable		Obs	Mean	Std.	Min	Max
Elementary School	Spending in Academics (if spending>0)	22065	194.6	103.0	0	1453.3
	Spending in English (if spending>0)	15974	268.8	177.6	7.9	1453.3
	Spending in Mathematics (if spending>0)	12581	163.9	105.6	2.3	931.8
	Hours of PT in Academics (if spending>0)	22868	49.6	69.6	0	309.1
	Hours of PT in Academics (if spending>0)	15974	6.8	4.7	1	38
Middle School	Spending in Academics (if spending>0)	23033	281.4	273.9	0	2622.8
	Spending in English (if spending>0)	15793	410.5	237.5	7.9	2622.8
	Spending in Mathematics (if spending>0)	14297	173.3	115.5	2	1159.5
	Hours of PT in Academics (if spending>0)	23033	106.1	123.1	0	1192.2
	Hours of PT in Academics (if spending>0)	14548	108.0	116.5	2	1192.2
High School	Spending in Academics (if spending>0)	36083	247.0	318.9	0	3998.8
	Spending in English (if spending>0)	18758	475.2	335.5	3.2	3998.8
	Spending in Mathematics (if spending>0)	36083	83.6	140.8	0	2087.2
	Hours of PT in Academics (if spending>0)	15181	280.8	164.8	0.8	2319.1
	Hours of PT in Academics (if spending>0)	18758	3.5	4.6	0	49

Note: Weekly hours for private tutoring are reported in the table. Unit of spending is 1,000 Korean Won (KRW), which is equivalent to US\$0.9.

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III. Policy Dilemma

Private tutoring cost and social division

- Enormous economic burden on families
- Ability pay impact on ability to succeed

Quality and outcomes of education

- Increasing student dependence on private tutoring
- Policy dilemma of containing private tutoring

Deteriorating employment prospects of graduates

- Tightening labor market and job race

Adjustment for globalization

- Demand for overseas education
- New demand on English learning

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Rising demand for public subsidy: populism vs need

- school lunch subsidy
- half tuition and scholarship aid

College enrollment quota in times of declining student population

Balancing control and autonomy in higher education

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Policy Reforms

2015 marks the 20th year since 5.31 Education Reform measures were begin to be implemented.

5.31 Reform plan proposed major shift from rigid and uniform government control policy to a less coercive set of policies for creating a more "open" schooling system.

Flexibility, choice and diversification of programs were consistent themes and such spirits were well reflected in specific reform measures especially since 1995, and to date.

Currently, active assessments and debate on impact of the Reform Plan

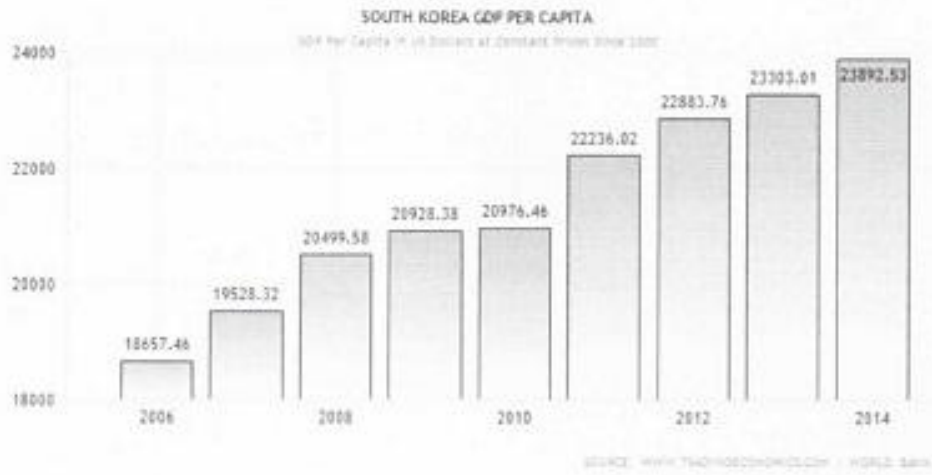
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Table2. Koreans Students Abroad (2007-2010)

Korean Students Abroad (2007-2010)						
Year	Top Five Overseas Study Destinations					Total
	First	Second	Third	Fourth	Fifth	
2010	USA (71,514)	Japan (25,660)	Australia (7,311)	UK (4,347)	Canada (4,326)	126,447
2009	USA (73,832)	Japan (24,850)	Australia (6,796)	UK (4,277)	Germany (4,105)	125,165
2008	USA (69,198)	Japan (23,290)	Australia (6,270)	UK (4,031)	Germany (3,929)	112,588
2007	USA (63,772)	Japan (22,109)	Australia (5,430)	UK (4,311)	Germany (3,901)	105,327

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<Figure3> South Korea GDP PER CAPITA



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