

The other arms race

South Korea's education fever needs cooling

Mirim High School for girls in Seoul is living proof that South Koreans take education seriously. The students, aged 15 to 18, bow respectfully whenever a teacher passes. Many of them board, and all attend extra-curricular classes from 6pm to 9pm. Do they work too hard? Chang Byong-gap, the headmaster, laughs at the question.

South Korea's passion for education has historical roots. In the early years of the Choson dynasty, which lasted from 1392 to 1910, those who passed a civil-service exam could gain entry to the privileged yangban class, a scholarly aristocracy. Those roots were reinforced by more recent history, notes Michael Seth, author of "Education Fever". Under Japanese colonial rule between 1910 and 1945, Koreans' educational aspirations were frustrated, resulting in pent-up demand. In the carnage of the Korean war of 1950-53, many of the old social hierarchies crumbled, convincing people they could succeed by their own efforts. Before 1971 children were taught in two shifts because school-building could not keep up with the numbers. By 1980 almost every primary-school student was going on to middle school at age 11. In 1995 the government promised to usher in an "edutopia", encouraging the entry of private universities.

In response, higher education boomed. The proportion of high-school graduates going on to higher education rose from 40% in the early 1990s to almost 84% in 2008. But since then, remarkably, the rate has declined (see chart 2). South Korea's national obsession with ever higher levels of education appears to have reached a ceiling.

Despite their top-notch schooling, none of the girls graduating from Mirim High School this year went straight on to a full-time university degree. The school is one of 35 "Meister" schools introduced by the previous president, Lee Myung-bak, in an effort to raise the prestige of vocational education and break the grip of universities on the minds of South Korean parents, 93% of whom expect their children to go to college. The schools, modelled on Germany's example, aim to produce masters of a trade (known as Meister in German) rather than bookish swots. Mirim High School concentrates on the programming and design of apps that people download onto their smartphones and tablets.

In the past, parents pushed children to enter university whatever their aptitude or inclination, says Seo Nam-soo, the education minister. Some wanted their children to go on to higher education because they never had the chance themselves. But a growing number now believe their children should do what makes them happy, he says.

Parents may also be deterred by the cost. Throughout their children's school years, they spend an extraordinary amount preparing them for the brutally competitive day-long university entrance exam, the suneung. All told, education accounted for nearly 12% of consumer spending last year.

A big chunk of that went on extra English classes. Learning the language has become a "collective neurosis", according to one professor. Some mothers move with their children to an English-speaking country. A cheaper alternative is to spend a summer at a mock-English village in South Korea, such as the Gyeonggi English Village, a place with red telephone boxes where only English is spoken.

The cost of education may be the main reason why South Koreans are having so few babies. In surveys, they cite financial burdens as the biggest obstacle and single out education as one of the heaviest components. Thomas Anderson and Hans-Peter Kohler of the University of Pennsylvania have shown that the South Korean provinces with the lowest fertility rates are also the places where families spend the most on education.

This spending, however, no longer yields rich returns. Going to university racks up tuition fees and keeps young people out of the job market for four years. After graduation it takes an

average of 11 months to find a first job. Once found, the jobs remain better paid and more secure than the positions available to high-school graduates, but the gap is narrowing. The McKinsey Global Institute reckons that the lifetime value of a college graduate's improved earnings no longer justifies the expense required to obtain the degree. The typical Korean would be better off attending a public secondary school and diving straight into work.

If the private costs are no longer worthwhile, the social costs are even greater. Much of South Korea's discretionary spending on private tuition is socially wasteful. The better marks it buys do not make the student more useful to the economy. If one student spends more to improve his ranking, he may land a better job, but only at the expense of someone else.

In the first decades of the South Korean republic the government tried to keep up with the education fever, building schools and hiring teachers at a frantic pace. In more recent decades it has tried to cool it down. In 1971 it abolished the entrance exam for middle school, but that only heightened the competition for high-school places, so a few years later it replaced the high-school entrance exam with a lottery. The result was the insanely competitive university entrance exam. By easing competition at one stage of education, it only intensified it at the next.

In 1980 the government outlawed private out-of-school tutoring, which drove the industry underground. The ban was declared unconstitutional in 2000. Since then efforts to soothe the education fever have been more modest. Seoul imposes a 10pm curfew on cramming schools, but pupils can dodge the curfew by learning online after hours. The government will introduce test-free semesters in all middle schools by 2016 to give pupils some relief from rote learning.

South Korea's education arms race poses a puzzle. Students spend vast amounts of time and money to move up in the queue for good jobs. But queues are needed only for things that are in short supply. Why should good jobs be rationed? The number of "good" employers should, in principle, expand in line with the scale and skill of the available workforce. So perhaps the preoccupation with educational qualifications reflects problems in the labour market.

As South Koreans see it, good jobs are indeed rationed. The university-educated aspire to work in the government and its allied enterprises, the banks or the chaebol, South Korea's family-owned conglomerates. These employers provide the kind of secure, well-paid and prestigious jobs with which the rest of the labour market cannot compete. South Koreans refer to some of them as "God's place". The very best are known as "the place that even God does not know".

Queuing for God's place

The well-educated are prepared to "queue" for these jobs by adding to their educational credentials and even by enduring post-graduation unemployment until a job becomes available. Of the 5.4m South Koreans aged 15-29 who are not economically active, 11% are preparing for various kinds of professional exams to enter God's place.

A similar division prevails among blue-collar workers. Hyundai Motor, which makes about 40% of the cars sold in South Korea, has 59,800 regular workers as well as over 6,000 "temporary" workers, often hired by companies set up expressly for that purpose. The two kinds of employees do identical amounts of the same work on the same site, but the temporary staff get paid only 70% of the regulars' wages, according to union leaders, or 85%, according to the management.

The regular workers are represented by a union with 19 full-time leaders, paid for by the company. In the stairwell of the union offices a cartoon strip depicts a huddle of flagellated men turning on their whipmaster. Inside, union members are voting on a settlement to end their latest strike, one of many in recent years. They had drawn up a long list of demands, one of which in particular caused public outrage. Hyundai Motor subsidises the university education of its workers' children. The union wanted it also to subsidise the vocational education of children who do not go to college. Moon Young-moon, a union leader who has worked at

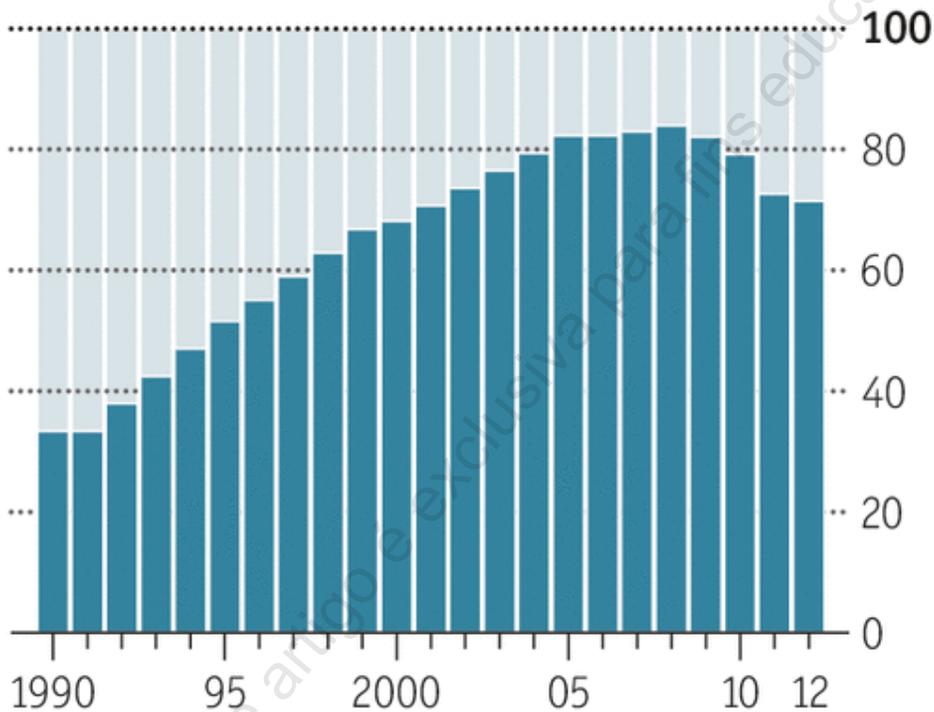
Hyundai Motor for 27 years, says he is just moving with the times. It is, after all, government policy to “remove the social pressure to go to university”.

Not all chaebol jobs are good jobs, but as far as South Koreans are concerned, most good jobs are still chaebol jobs. Will that remain true?

Rational response

2

South Korean high-school graduates entering university, % of total



Source: National statistics

Fonte: The Economist, London, v. 409, n. 8859, p. 11-12, 26 Oct. a 1 Nov. 2013. Special Report The Koreas.