Nordic childcare policies and their implications for South Korea: A documentary analysis

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Abstract: Korea has experienced several decades of low to very low birth rates, contributing to an aging population and posing a threat to the nation’s economy. The government has unsuccessfully attempted to implement policies to develop and maintain childbirth and childcare that would mitigate the reduction of the productive workforce. Korean policy makers acknowledge the Nordic countries as the benchmark for the development and implementation of social welfare programs in this and other areas, but they have as yet been unable to achieve levels of success similar to these countries in reversing low fertility. Using documentary analysis, this study explores the nature and impact of childcare policies in Sweden, Norway, Denmark, Finland, and Korea to gain insights that can help optimize childcare policies in Korea. Based on Gilbert and Terrell’s social welfare policy analysis framework, which asks “who will benefit from this policy?,” “how will these benefits be delivered?”, and “how can necessary funding be accessed to provide benefits?”; the study examines and compares Nordic and Korean policy on childcare according to four main dimensions: (1) types of childcare policy, (2) target of support, (3) method of delivery, and (4) method of financial preparation. Based on this analysis, this study recommends that Korea adopt childcare policies that focus on defamiliarization, decommodification, gender integration, and a child-centered approach.

Keywords: childcare costs, social welfare, gender equality, child-centered approach, labor

1 Introduction

Many experts attribute the historically low birth rates and aging populations in most developed countries to socio-demographic changes, including advancements in industrial technology, changing family structure and values, and the increased participation of women in the labor force [1–3]. According to the Organization for Economic Co-operation and Development [4], in the 1970s, birth rates in most developed countries were typically above, often well above, the population replacement rate of two children per woman. Since the early 2000s, however, there has been a sharp drop of birthrates in many developed countries; the average has fallen to the “ultra” or critically low level of 1.5 or fewer children per woman [1,3,5]. As a result, many countries have become, or may soon become, “aged societies,” in which individuals over the age of 65 account for more than 14% of the population [6].

The Republic of South Korea (hereafter Korea) is already an “aged society.” In 2002, the fertility rate in Korea was the world’s lowest recorded national fertility rate at 1.32 children per woman [6]. At that time, fertility in Korean society was considered a private and family matter and was not publicly discussed. This changed during the administration of Roh Moo-Hyun, the President of Korea from 2003 to 2008. He initiated pro-natalist policies, primarily as part of the First Basic Plan for Fertility and Aged Society (2006-2010), and successive administrations have followed this with the Second (2011-2015) and Third (2016-2020) Basic Plans. The current administration of Moon Jae-In, formed in 2017, has promised to continue to promote fertility and work-life balance through the development and maintenance of childbirth and childcare policies with the goal of mitigating the reduction of the productive workforce due to an extended period of low fertility. However, statistical evidence and assessments suggest that, to date, Korea’s efforts in this regard have not been very successful [7,8].

In contrast, the United Kingdom, France, and the Nordic countries (Sweden, Norway, Denmark, and Finland), which began experiencing low birth rates earlier than Korea, have implemented targeted childbirth and childcare policies, which have substantially reversed their low birth rate trends [9]. The Nordic countries, in particular, have successfully implemented pro-natalist childbirth and childcare support policies, and provided early childhood care and
Korean policy makers consider the Nordic countries to be a benchmark, or gold standard, for the development and implementation of social welfare programs. Nevertheless, they have not yet been able to reverse low fertility rates as successfully as the Nordic countries.

The Nordic countries have long recognized that low birth rates and an aging population represent a serious problem, and they have enacted countermeasures at the national level, prioritizing the implementation of high-quality childcare policies. Nordic childcare policies focus on providing benefits to children and optimizing educational environments. They also support couples by providing parental leave and protecting the labor rights of both parents, so that they can jointly raise their children. Nordic countries have created environments that help parents raise children while maintaining work-life balance. They have subsequently become nations in which parents want to raise children and where childhood is considered a particularly pleasant experience.

The Nordic countries implement childcare policies from a child-centric perspective; their

| Table 1 Comparison of childcare policies in the four Nordic countries |
|----------------------|----------------------|----------------------|----------------------|
| **Support**       | **Sweden**          | **Norway**          | **Denmark**         |
| **Cash**          | (1) Pregnancy allowance extends up to 80% of the most recent wage for up to 50 days. | (1) Childcare allowances are paid for children who do not use public childcare facilities. | (1) Unlike other Nordic countries, national budgets are provided only for public institutions. |
|                    | (2) Housing allowance is paid to low-income households. | (2) 50% childcare allowances for children using childcare facilities less than 20 hours per week. | (1) Provision of “ Mothers’ Boxes” containing various childcare items. |
|                    | (3) Children’s allowance is proportionate to the number of children, and additional allowances are provided for households with more than two children. | (2) Child benefit, general child allowance, secondary child allowance, and special child allowance. | (2) Child welfare payments to parents with children up to 17. |
|                    | (4) The government supplies daily necessities for care of children not yet in nursery schools. |                     |                     |
| **Childcare service** | (1) All-day care services offered for children aged between one and twelve. | (1) Among the Nordic countries, it is most favored to predicate in families. | (1) Full daycare services for children from 26 weeks until just before entering elementary school. |
|                    | (2) Children aged four and above have free education. | (2) National budget is paid without distinction between national and private facilities. | (1) Separate from public childcare institutions, home-based care, and private childcare institutions. |
|                    | (3) Separate from family care, open Förskola and Förskola | (3) Separate from kindergarten, family care center. | (3) Pay more than 70% of the government’s budget to the infant education institution. More than 85% of KELA’s budget for social welfare is spent on household parenting payments. |
|                    | (4) The government provides childcare services by segregating the unemployed and inexperienced businesses. |                     |                     |
| **Care time**     | (1) Respect for parental rights | (1) Childcare services developed slowest here, among Nordic countries. | (1) Maternity leave is 150 days. |
|                    | (2) Introduction of the first paternal childcare leave system. | (2) Offers the longest maternity leave period among Nordic countries. | (2) Particularly emphasizes mothers’ labor rights. |
|                    | (3) Provides parents with long periods of parental leave ranging from eight to 16 months. | (3) Men’s maternity leave is identical to women’s maternity leave. | (2) Paternal leave extends up to three weeks after birth. |
|                    | (4) Approximately 80% of the average salary is paid for 13 months for childcare leave. | (3) There are three classes of leave systems for childcare: four weeks before birth, 14 weeks after birth, and 10 weeks after maternity leave. | (3) Parental leave may be used by both parents alternately. |
|                    |                     |                     |                     |
|                    | (4) Fathers and mothers can use childcare leave at the same time. |                     |                     |

The Nordic countries implement childcare policies from a child-centric perspective; their education (ECCE) services. Korean policy makers consider the Nordic countries to be a benchmark, or gold standard, for the development and implementation of social welfare programs. Nevertheless, they have not yet been able to reverse low fertility rates as successfully as the Nordic countries.
policies reflect the belief that respecting children’s human rights includes protecting their right to happiness. Indeed, Shin suggests that Nordic childcare policies are exemplary because they consider both philosophical and structural aspects of childcare, which are the values that underlie their effective policy designs [14]. Despite sharing certain core values in terms of policy (such as child-centeredness, gender equality, and universalism), there is no single “Nordic welfare model” [15]. In fact, though most policy studies group Nordic countries together (although Denmark’s policies have received less attention than those of Sweden, Norway, or Finland), it is important to remember that policies are influenced not only by the national ideology and culture but also by specific political, economic, and social conditions. The present study examines recent and current childcare policies in all four Nordic countries to gain insights that could be used to optimize childcare policies in Korea. (see in Table 1)

2 Materials and Methods

The present study used documentary research to explore the nature and impact of childcare policies in Sweden, Norway, Denmark, Finland, and Korea. In the documentary research method, one analyzes research reports, government data, newspaper articles, books, and other documents to examine a specific phenomenon. In this case, the research goal was to develop (and provide a research basis for) potential solutions for a given problem. The present study examined governmental and non-governmental policy and performance reports, statistics from a variety of sources, and various documents, available on the Internet, associated with the childcare support policies of OECD and EU member countries. Using this data, it identified the childcare policy trends of each Nordic country and Korea to assess their (potential for) effectiveness, ability to contribute to work-life balance for families, and positively impact Korean national fertility.

2.1 Scope of research

It is generally understood that Childcare support encompasses, or refers to: (1) costs of childcare, (2) childcare-related services, and (3) support for time spent on childcare [16]. This includes the costs of raising children, the costs of childcare services provided in situations in which it is difficult for parents to take care of their children, and support for working parents in the form of labor rights and leave policies. In the present study, childcare policies refers to the systems established to provide childcare services, defray their cost, and the features of these policies. This study focused on cash benefits that subsidize the costs of childcare, institutional and home-based childcare services, and flexible working hours and leave benefits to support care time.
2.2 Framework of analysis

This study applied Gilbert and Terrell’s social welfare policy analysis framework to analyze childcare policy trends [17]. This framework asks: “who will benefit from this policy?,” “how will these benefits be delivered?,” and “how can necessary funding be accessed to provide benefits?” The four main dimensions of analysis in this study were therefore: (1) types of childcare policy, (2) target of support, (3) method of delivery, and (4) method of financial preparation. The framework that resulted from the application of Gilbert and Terrell’s categories to the present study is depicted in Figure 1.

3 Results

3.1 Childbirth and childcare policies in the Nordic countries

Broadly speaking, the Nordic countries consider childbirth, childcare, and family work-life balance as essential features of social policy. Policies that support these features are implemented as part of a universal welfare system, which nurtures resources to benefit society as a whole [18]. This section examines the recent history, and current state of Nordic childcare policies, focusing on cash benefits, childcare services, and support for care time. The subsequent section conducts a similar analysis of Korean policies. The two sections that follow thereafter compare Nordic and Korean policies and discuss the implications of this research, respectively.

3.1.1 Cash benefits

After they complete their parental leave, Nordic parents can choose to accept cash-for-care benefits or place their children in subsidized care facilities. Norway introduced this policy in 1998, Denmark in 2002, and Sweden in 2008 [19]. Danish parents can accept this benefit when their child is between the ages of six months and three years. Norwegian parents can accept it when their child is between the ages of one and three years, and Swedish parents can accept the benefit when their child is between the ages 250 days and three years. However, the intentions behind each program are somewhat different. In Denmark and Sweden, the goal of the policy was to allow parents to decide whether their child should be cared for within or outside the family. In Denmark, in particular, this policy was enacted to reduce the burden on the local authorities. In Norway, however, the policy sought to ensure equality among parents who make use of state-subsidized childcare and those who care for their of care for children at home [19]. In Norway, cash benefits come from a national system that provides the same benefit to all parents, but in Denmark and Sweden, the benefits are administered regionally [20]. The monetary value of cash benefits is considerably higher in Denmark (24.8% of the average wage earner’s income) than in Norway (9.4%) or Sweden (10.7%). According to the most recent data available, Eydal and Rostgaard suggest that the utilization of this benefit was low in Denmark, where only around 700 families made use of cash benefits, but in Norway, the utilization of this benefit decreased from 85,000 families in 2003 to 36,000 families in 2012, which presumably reflects a simultaneous increase in the use of subsidized childcare [20]. In 2011, 11% of Swedish children under the age of two were cared for using cash-for-care [20].

Unlike the other Nordic countries, Finland recognizes public childcare support as a state issue. According to recent data, the Finnish government spends 3.3% of the total GDP on households with children. More than 70% of the funding for Finnish childcare policies is used for early childhood care/education facilities, or paivakoti (see the following subsection). However, more than 85% of the funding from KELA, the social welfare institution operated by the Finnish government, is used to provide home childcare allowances. In addition to providing a “mother box” containing a variety of childcare items free-of-cost to all new mothers, Finland also grants child allowances to all parents until their child is 17 years old [21].

3.1.2 Childcare services

As a result of childcare unions that lobbied for childcare to take place in institutional settings rather than private care centers operated out of private homes, Denmark is heavily invested in childcare services [22]. Attending a daycare institution is a normal childhood experience in Denmark. Though parental leave, which is independent of parents’ employment situations, may continue until a child is 46 weeks old, children have the right to institutional childcare from the time they are 26 weeks old. A significant number of children (17%) start in daycare before they turn one, while 90% of children between the ages of one and two attend such facilities. From the age of three until school age, nearly all children (98%) attend daycare [22].
In Sweden, children begin receiving institutional care after their parents complete their parental leave, when the child is approximately 18 months old. As of 2010, 70% of Swedish children between the ages of one and two were in daycare. Similarly, in Denmark, nearly all children aged between three and five years attend subsidized facilities. Moreover, since 2003, all children aged four years and above have the statutory and individual right to 15 hours of weekly childcare, which reflects the belief that childcare benefits children; children have this right independent of their parents’ work situation [20].

In the past, fewer Norwegian parents utilized subsidized childcare compared to parents in other Nordic countries. More recent data show that 79% of Norwegian children between the ages of two and three years attend public facilities, as do nearly all three to five-years-old (96%). Since 2000, children in Norway have had the statutory and individual right to childcare from the age of one year, regardless of parents’ work situation [20].

As of January 1, 2013, the Finnish government integrated childcare into early childhood education, and the Ministry of Education and Culture controls the childcare support system. More than 70% of the funding for Finnish childcare policies is used for paivakoti, early childhood education institutions administered by regional governments [21]. Less than 5% of Finnish children use private (unsubsidized) paivakoti. Overall, the rate of childcare institution use is significantly lower in Finland than in the other Nordic countries; Finnish parents prefer to care for their children at home until they turn three, when they receive an additional childcare allowance. In general, parents are given a year of leave, which is why few children below the age of one appear in the institutional childcare statistics; however, 30% of children aged one-to-two and more than 51% of children aged two and older use public childcare institutions [23].

As in other Nordic countries, Finnish paivakoti are not entirely free: parents contribute differently based on their household income and the number of children in the household. In all four Nordic countries, the national government determines the maximum level of individual parental contribution out of concern that the costs of childcare might deter low-income parents. As of 2008, the maximum payments were fixed at 209 Norwegian kroner (NOK) and 130 Swedish kronor (SEK), respectively. Facilities and authorities can also limit parental contribution. For example, in Denmark, parental contributions must not exceed 25% of the operating costs of the institution. However, as these costs differ across local authorities, there are differences in the actual fees that parents must pay. As of 2008, the levels varied from 226 to 364 Danish kroner (DKK) [20].

3.1.3 Support for care time

Nordic countries introduced maternity leave between the mid-1950s and the early-1960s, in the interest of protecting mothers and children. In 1974, Sweden became the first country to introduce paid parental leave, giving fathers the right to take leave as well. Norway and Denmark introduced paid paternity leave for the period immediately after birth before establishing parental leave. In 1980, Sweden introduced paternity leave in response to evidence that few fathers were making use of parental leave. In 1993, Norway introduced a use-it-or-lose-it non-transferable father’s leave quota of four weeks. Since then, they have increased the father’s quota several times. For example, in 2011, the number of weeks was increased to 12 while deducting one week from the shared parental leave and adding a week to the total parental leave period. The introduction of the quota appears to have increased men’s use of parental leave: men used 1% of their parental leave days in 1993 and 17.8% in 2011. Nevertheless, a 2010 poll suggested that the quota lacked electoral support: 68% of respondents indicated that they wanted to abolish the quota [24].

In 1995 Sweden introduced a four-week quota, but the reform was met with criticism. This is perhaps because the total leave period was not extended as it had been in Norway. There was much less opposition when, in 2002, Sweden extended the quota to eight weeks and included an extra month of total leave. There was also a clear effect on fathers’ utilization of leave in Sweden; it increased from 10.9% in 1994 to 24.5% in 2011 [24].

Denmark introduced a two-week father’s quota in 1997. As in Sweden and Norway, the reserved weeks supplemented the existing leave. Despite an immediate positive impact of the measure on fathers’ use of leave [25], the father’s quota was short lived. It was abolished in 2002 when parental leave was extended by 22 weeks for a total of 32 weeks that parents could share as they wished (apart from the early weeks of specific maternity and paternity leave) [26]. The government that assumed office in late 2011 proposed a reintroduction of the father’s quota, but in September 2013, it reversed its course and began to discuss tax credits as an alternative. The Danish credit was meant to function like the tax credit in Sweden (jämställdhetsbonus), but the latter has increased the number of fathers using their leave. The Danish government
has since decided against introducing the credit, reflecting heavy criticism from father’s quota supporters [24].

In Denmark, the total parental leave is 52 weeks. Mothers have 18 weeks of maternity leave, four of which are to be used before the due date, and fathers have two weeks of paternity leave. Parents can divide the total amount of parental leave between themselves as they choose. In Norway, the total length of leave depends on how much benefits the parents draw. At 100% compensation, the total length of parental leave is 47 weeks. Mothers usually have three weeks of maternity leave before the due date, and six weeks following the birth. Fathers have a ten-week quota. The use of 20 weeks out of 47 is mandatory, with 10 weeks each reserved for both parents, and the parents can decide how to share the remaining weeks. In Sweden, the total parental leave is 69 weeks (of which only 390 days are accompanied by full benefits), with an 8-week quota for the parents, including 2 weeks of paternity leave for the father directly after birth [20].

The size of the parental leave benefits varies across the four countries, based on different calculation principles. The Danish benefit is 100% of the relatively low sickness benefit. The Norwegian benefit is 80% of former wages if on part-time leave, and 100% if on full-time leave for a maximum of 8,738 NOK weekly. In Sweden, one receives 80% of former wages for a weekly maximum of 8,129 SEK. In addition, more extensive rights benefits apply, where applicable, under collective bargaining agreements. In Sweden, for example, depending on the sectoral agreement, many employees are entitled to up to 90% of former wages after a waiting period. In Denmark and Norway, public employees working for national or municipal entities are entitled to full wages during leave [20]. In all three countries, the right to benefits depends on prior labor market attachment. In Norway, for example, parents must have been in employment for six of the ten months prior to taking leave and must meet a certain standard of annual income. For a father to be entitled to both benefits and leave, the mother must be actively working, studying, or too ill to take care of the child. This restriction is designed to prevent fathers from receiving parental leave benefits if the mother is at home and able to care for the child on her own. Nearly one-third (31%) of Norwegian fathers receive no parental benefits [20].

Finland also has an advanced childcare leave system similar to those of other Nordic countries. Finland was ranked first among 28 OECD countries in the 2015 “glass-ceiling index,” which evaluated the extent of inclusion of women in the workforce. Finland’s parental leave system has played a significant role in enabling Finnish women to move up the organizational ladder and participate actively in society [27]. In Finland, maternity leave is 150 days, of which women can take 30-50 days during pregnancy and 55-75 days after giving birth. Special maternity leave can also be taken by pregnant women who work in hazardous environments. Paternity leave extends up to three weeks after childbirth. Use of paternity leave was not initially high, but the Finnish government implemented two large-scale campaigns in 2002-2003 and 2007-2008 to increase its utilization, and the most recently available data indicate that about two-thirds of Finnish men utilize paternity leave [28].

### 3.1.4 Implications of childcare policies in Nordic countries

The analysis of the childcare policies in Sweden, Norway, Denmark, and Finland has important implications. All four Nordic countries have, since the late twentieth century, striven to establish resources and policies that ameliorate the burden of childcare and encourage women to participate actively in the economy. Across the region, these efforts appear to have had a positive impact: promoting economic growth, facilitating gender equality, enabling work-life balance, contributing to increased birth rates, and allowing for sustainable economic growth despite an aging population. All four Nordic countries have succeeded in establishing childcare as a public responsibility despite their different levels of state involvement and the availability of public funds to establish and implement childcare plans and to improve the quality of public childcare services [29]. Nordic governments have actively provided free public education for children aged four and up; they have also developed strong parental leave support and quality services to care for younger children. They have established facilities, subsidies, and tax benefits and imposed strong regulatory oversight for non-governmental facilities. Recently, the Nordic countries have introduced ceilings to reduce the childcare cost burden borne by parents. The net effect of these efforts has been to ensure universal access to quality childcare in a safe, educational environment, regardless of parental economic status.
3.2 Childbirth and childcare policies in Korea

The Korean government has regarded the Nordic approach to public policy on childbirth and childcare as a model for responding to the nation’s decreasing birth rate and increasing elderly population. This section considers recent developments and current policies that address these concerns in Korea.

3.2.1 Cash benefits

In 2009, Korea introduced a childcare allowance for infants and young children who were being cared for at home rather than in childcare facilities. At the time of its introduction, the allowance was applicable to children up to one year old. However, in 2011, the allowance was expanded to include children up to the age of two, and, in 2013, to include children up to age five. Initially, the system applied only to low-income families. However, it has since been made applicable to all families, with current monthly allowances ranging between KRW 100,000 and KRW 200,000, based on parents’ income levels.

At present, the government also subsidizes the use of private and home day care centers by providing basic childcare support subsidies. These subsidies are given on a per-child basis and are paid to the facilities. The amount of the subsidy is based on the labor costs associated with operating the national childcare centers, which have increased every year since 2006. At present, parents pay regulated monthly fees to use childcare facilities on a full-day basis. These fees vary depending on the age of the child: KRW 430,000 per month for children up to age one; KRW 378,000 for children between one and two years old; KRW 313,000 for children aged two-to-three years; and KRW 220,000 for children aged between three and five years. Additionally, KRW 220,000 is provided for children between the ages of three and five years under the so-called Nuri curriculum (see the following sub-section).

In 2018, the Korean government added a universal child allowance of KRW 100,000 per month for children up to the age of five. Unlike the basic childcare subsidies, this allowance is paid directly to parents. The government also announced plans to make public childcare facilities accessible to more children by subsidizing childcare costs. The goal was to increase the proportion of children using public childcare facilities to 40%. However, this target was established without sufficient consultation with relevant stakeholders, such as local governments and private childcare facilities, and many regional authorities are struggling to meet the new goal.

3.2.2 Childcare services

The most distinctive feature of Korean childcare services is the Nuri curriculum, which centers on five areas: physical exercise and health, communication, social relationships, art experience, and nature exploration. This curriculum forms the basis of programs in day care centers and in kindergartens. As such, it integrates childcare into education processes by providing continuity across programs.

The Korean government provides subsidies to these facilities. Since March 2012, the government has paid the fees for all children aged five years and older, and since March 2013, the government has paid the fees for children aged three-to-four years old. In addition, in July 2016, the Korean government began to offer so-called customized childcare services to the parents of children under the age of two who use day care centers and require special support. Qualifying conditions include the parental need for support in (or owing to) a job search, employment, disability, parenting multiple children, pregnancy, single-parent status, hospitalization, and nursing. These services are available on a full-day (7:30 to 19:30) or part-time (9:00 to 15:00) basis. If additional childcare is required for children receiving partial service, their parents can use an emergency childcare voucher for up to 15 hours of additional assistance per month.

3.2.3 Support for care time

The support systems for working parents in Korea include pre- and post-delivery leave (traditionally known as pregnancy or maternity leave), vacations, and flexible working systems. Female workers are guaranteed up to 90 days of pre- and post-delivery leave, including 45 days after childbirth. In 2008, Korea introduced spousal (paternity) leave for childbirth, which was expanded from three to five days in 2012. The current government plans to expand paid spousal leave for childbirth to at least ten days by 2022.

Parental leave is provided for working parents of children up to age eight or second grade. This leave must be taken within a year, and the government provides 40% of the average monthly
wage as the parental leave benefit. Under this system, if a parent takes consecutive parental leave for the same child, the wages for the second term of leave will equal 100% of their normal wages for the first three months. The leave benefit cap for the “father’s month,” which is available to parents for either their second-born child or for children born after July 2017, was raised from KRW 1.5 million to KRW 2 million. Parents eligible for parental leave have the option to work 15-30 hours per week instead of taking leave or to combine parental leave with working time reduction schemes.

The flexible work system provides work-life balance for parents working in small-to-medium-sized businesses. It allows them flexibility, not only in terms of time but also location, possibly taking the form of remote work (e.g., working from home). In order to encourage the utilization of initiatives such as parental leave for childbirth, childcare leave, and flexible working systems, the Korean government introduced a family-friendly certification system in 2008, which grants certificates to companies and institutions that support the work-life balance of their employees.

Subsequently, the Korean government announced additional initiatives to support work-life balance. It increased childcare leave benefits, which are currently 40% of wages, three times over a period of three months, for the equivalent of 80% of wages over three months. It also announced that if spousal leave for childbirth and parental leave were used consecutively, parental leave benefits would increase twofold for the period between three and six months after childbirth (i.e., up to KRW 2 million). The government also announced plans to implement a system in which the employees with children aged eight or younger (or up to the second year of elementary school) could choose to limit their work schedule to between 10:00 and 16:00 during the day for up to 24 months.

4 Discussion

The characteristics of Nordic welfare provide a good model to examine the challenges of developing and implementing childcare policy strategies in Korea. The decentralization in the Nordic countries, a system Korea is set to follow, has enabled the development of a robust welfare state. In Sweden, the central and local governments share the responsibility of implementing childcare policies. The metropolitan council is responsible for delivering services such as education and welfare, while the regional government is responsible for healthcare, transportation, and other administrative matters. The central government manages and oversees the policies of the metropolitan council and regional government and coordinates the establishment of balanced regional policies. Local governments can collect taxes, which makes them financially autonomous and stable. Through decentralization, Sweden has been able to clearly identify the needs of the residents of each region and implement policies based on regional characteristics. Therefore, to effectively implement the cash support system for childcare in Korea, it seems appropriate to establish a decentralized system that effectively reflects the needs of each region. Ongoing efforts to improve the social perception of childcare, particularly the burden of childcare, can also contribute to the development of an appropriate system.

4.1 Cash benefits

Unfortunately, the methods for securing the budget for Korea’s new childcare allowances remain unclear. Shortly after the central government announced that it would pay childcare allowances from 2018 onward, several regional governments raised objections. Most welfare projects in Korea adopt a “matching” system: they receive joint funding from the central and local governments. Regional governments are required to match a proportion of the central government’s contributions. Regional governments have been quick to express their concerns that the new system will increase their welfare cost burdens and strain their funding, without providing any increased tax revenues.

4.2 Childcare services

As of 2016, there were about 35,000 private and 6,200 public childcare facilities in Korea, a ratio that suggests a heavy dependence on the private sector. By contrast, most childcare facilities in Nordic countries are public, which arguably makes it easier for the central and regional governments to efficiently manage childcare facilities and ensure that all children receive similar care and education.

In Korea, despite the introduction of the Nuri curriculum, which provides continuity across day care centers and kindergarten programs, the integration of operations is hampered by the
fact that the former is overseen by the Ministry of Health and Welfare and the latter by the Ministry of Education. In this regard, Korea should draw upon the example of Nordic countries, where the integration of day care centers and kindergartens was achieved early. The successful integration in Nordic countries could be attributed to the integrated management of ECCE processes, which allows all children to receive education under the same system.

A shortcoming of the current publicly subsidized childcare services in Korea is that subsidies are not available to help parents raise their children at home. This gap is primarily due to the fact that childcare personnel are not classified as workers under the Labor Standards Act and are, therefore, vulnerable to low wages and poor working conditions. By contrast, for example, home caregivers in Finland are classified as workers under Finnish labor regulations, and they receive benefits, including: employment stability, retirement benefits (i.e., pensions), and access to various government-sponsored education or job training programs associated with childcare.

4.3 Support for care time

Korea has adopted several measures and programs designed to support familial work-life balance, and the current government plans to expand paid spousal leave for childbirth to at least ten days by 2022 [31]. However, to date, the utilization of such programs has been limited, primarily as a result of the rigid corporate culture, long working hours, and “traditional” views of gender roles. Indeed, Korea’s employment and labor policies essentially reflect the assumption that pre-/post-pregnancy leave, parental leave, and flexible work systems are applicable only to women; childbirth and childcare are still considered predominantly “female” domains. The example of Nordic countries suggests that it is possible to progress beyond this assumption, leading to a more widespread use of programs that support work-life balance. Specifically, Korean employers need to adopt proactive attitudes about childcare and family responsibility, and the government needs to more firmly regulate programs to maximize participation. More broadly, the Korean government should increase its efforts to garner acceptance of the idea that childcare is the responsibility of both parents. This could promote the utilization of spousal leave, which would improve the conditions for working families as a whole and encourage widespread and advanced labor force participation for Korean women.

5 Conclusion

This study analyzed the exemplary case of the Nordic countries’ day care and childcare support policies with the aim of identifying approaches to policy development in Korea that would improve the situation of working families. Based on the analysis, and bearing in mind certain differences in cultural contexts, Korea would benefit from adopting a number of Nordic approaches.

First, Korean childcare policies must move toward de-familiarization, which would ensure that a child receives adequate care even if the parents cannot provide it. In the Nordic countries, day care and childcare are not perceived as issues to be resolved by the individual or the family, but as the responsibility of the state, at least partially. Unlike Korean parents, Nordic parents do not consider childcare to be a burden. Given that Korean culture is work-oriented, family-related issues are perceived as personal problems. Leave systems are available to support Korean parents with childcare, but few use them. In general, the Korean government needs to create a full social support system to resolve challenges related to childcare and low birth rates.

Second, the Korean system must work toward decommodification, which would ensure that the state guarantees a certain standard of living for the family if and when parents stop working in order to care for their children. The Nordic countries guarantee adequate levels of childcare leave benefits to assist parents and ensure that both parents can avail themselves of childcare leave. Recently, the Korean government announced plans to increase childcare leave benefits. To implement this plan effectively, it is important to develop the perception of childcare leave benefits as a mechanism to preserve the parents’ regular income upon ceasing work, rather than as wages for childcare. The plan should also be supported by specific budgetary measures to fund childcare leave benefits.

Third, Korea should work toward gender integration: placing the responsibility of childcare equally on men and women, while protecting their individual right to work. Gender consciousness has played a major role in Nordic countries’ ability to engage in effective childcare policies and resolve low birth rates. Mothers have high levels of satisfaction and women are able to excel economically in these countries. Korea needs to establish a culture of gender equality in the context of planning and executing childcare-related policies.
Fourth, children should be the central focus of policy improvements. Nordic countries consider the philosophy of promoting healthy childhood development as paramount. In all nations, children are important members of society and represent the future, and governments need to understand that they must provide support to parents in order to contribute to the all-around development of children. Countries that are guided by child-centric philosophies are more likely to create and implement policies that consistently nurture healthy members of society. It is, therefore, important for Korea to establish a clear child-centric philosophy that will inform effective childcare policies.

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