

CHAPTER I

INTRODUCTION

A. Background

“In every country in the world, women continue to be paid less for comparable work than men and the wage gap narrowed only slightly over the past decade (ILO, Women Work More, But are Still Paid Less, 1995)”

The statement above is stated by International Labor Organization on the official press release on 25th August 1995, it is clearly implied that it is not an easy task in terms of narrowing down the gender pay gap which the changes towards it, is significantly little for over the past decade.

In fact, men are still dominating the world at all sectors and that is including in the workplace. Although, when women and men are equally capable in terms of education level, skill and literally by doing the same job, still the salary for women and men are different and significantly the amount of differences is big. Globally, the labor force participation rate for men and women aged 15 and over continues its long-term decline; it stood at 61.8% in 2018, down by 1.4 %age points over the past decade. The decline in women’s participation rate has been slower than that of men, resulting in a slight narrowing of the gender gap. These trends reflect different patterns across the life cycle, resulting from changes in both education participations among youth and, at the other end of the scale, older workers’ retirement choices. The headline finding, however, is that, on average around the world, women remain much less likely to participate in the labor market than men. At 48.5% in 2018, women’s global labor force participation rate is 26.5 %age points below that of men.

Gender gaps are one of the most pressing challenges facing the world of work. Women are significantly less likely than men to participate in the labor market, and

those who do look for work are less likely than men to find it. What's more, women in the region work in jobs that tend to be both of lower quality and lower pay than their male counterparts.

At the global level, there have been some improvements in reducing gender gaps in labor force participation. Yet this has been less apparent in Asia. In fact, less than one in three women in South Asia are active in the labor market (28.6%), representing a female participation rate that is 51 percentage points less than the rate for males. Moreover, this gap has widened over the last decade more than any other region. In East Asia, the gap is less worrisome as the participation rate for women remains the second highest globally at 61.3% (ILO, Closing gender gaps in asia-pacific economy, 2017).

Though nowadays, in general, we live in the era that allows women to access every job opportunity. But somehow the gender pay gap still exists and widely practiced all around the world including the country with economically advanced such as South Korea (Delfino, 2018). South Korea is widely known as a country which has a diverse style of music, movies, soap operas and fashions. But South Korea is also very well-known about Korean Gender Culture. The gender culture was widely practiced in the former Korea. This gender hierarchy was considered normal back then and it was resulting in gender discrimination where it was considered common where men and women patently differentiated by their position and demeanors (Sooyeon Lee, Kyunghee Kim, Hyeran Kang, Jeongmin Shin, 2017).

Historically speaking, over the past 50 years, South Korea has experienced an excellent industrialization that benefiting this country from being a raw material exporter to an industrial power that has qualified it as the top 15th world economies and by that South Korean frequently acknowledge as an economic miracle (Blanchard,

2011). South Korea has built their economy from scratch after the Korean war and then dramatically grown their economy since the 1970s. The success behind this phenomenon was because of a large amount of participation from the labor of women that working in low-status and low-wage jobs in the manufacturing sector.

The significant rate increased of female labor force participation in 1960 which increased by 26.8% to 47.6% in 1995, as it was women left the rural areas and moved to the cities to find work in the factories and businesses. Until the early 1990s, women for the first time were employed in labor-intensive sectors such as textiles, food processing, etc. These sectors provided an excellent number of export goods that make possible of South Korea's rapid economic growth that certainly caused by the contribution of women labor force to the economic development of South Korea (Kwon, 2014).

Despite of large and beneficial participation in the workforce still women earn less than man even with the same level of capability and skills. It is very contrast with the fact that South Korea ranked as an economic world power (News, 2017). Korean labor women are suppressed because of patriarchal management "style" which South Korean society accept this practice as a norm. In modern South Korean society, the government promised all citizen from across the country will get an equal opportunity to access formal education regardless of their gender. Although women did receive an equal opportunity to access high and sophisticated education then after they got into the workforce, women continuously are paid less than male co-workers and even frequently experienced sexual harassment (Paulo, 2018).

However, there are three main reasons for why the wage gap between males and females exists in South Korea which are caused by **pregnancy, maternal leave and the delay the promotion of female workers by reducing their days at work,**

or in other words pregnant women must put their careers on hold or even totally quits from the job in order to take care of their babies. Thus, the difference in workdays causes male and female workers to have different pay grades. Other than three reasons before which caused by common gender stereotypes in the South Korean society which for example some of them are “Women generally lacked responsibility”, “women tend to think emotionally rather than reasonably”, “Women are unable to formulate objective opinions”, “Women should always be submissive to men”, etc.

Furthermore, there are also some misunderstandings and prejudices that are blocking gender equality in South Korea. The first misunderstanding is the idea that if women gain more opportunities, men will automatically lose out. This is absolutely not accurate because the idea of gender equality does not harm men, but in fact it allows women, who make up half the world’s population, to achieve their full potential. Men and women should grow together in all sectors, including politics, economics, culture and other social sectors. This would help South Korean Government overcome the low growth and low birthrates of this era and would help secure sustainable development. The statistics show that in OECD countries with high rates of female economic participation, birthrates and economic growth rates tend also to be higher. The second misunderstanding is that childcare and housework are jobs for women, and that work-life balance issues are female concerns. It’s true that in the past, women took care most of every housework and fully responsible in childcare, and men on the other hand took a role as the main breadwinner in their families (Hee-jung, 2015).

It is real that the pursuit of gender equality in South Korea is an actual uphill battle, but the government is not being silence about it in fact they are taking steps to address the gender parity issues. Compared with other OECD countries, the situation

in Korea appears quite daunting as there are major gender gaps in earnings, labor market participation, and representation in government. The gender pay gap in Korea is the highest among the OECD countries which working women in Korea earn only 63% of what men earn, and only 56.2% of women in South Korea are employed and the rest of them withdraw from work when they have children. When women leave work temporarily or permanently, as is common in Korea, these career interruptions can also contribute to gender gaps in pension entitlements and consequent impacts on older women's poverty levels. Workplace culture and social expectations can still pressure women to withdraw from the workforce, and it can be difficult for mothers to return to their well-paid regular employment and resume their careers (OECD, *The Pursuit of Gender Equality: An Uphill Battle*, 2017).

In 1991, South Korea officially became 152nd members of ILO. With the participation South Korea government has responsibilities to ratified ILO's conventions. ILO reported that South Korean government consistently reviews their domestic laws, practices and pursues its improvement related to ILO's Conventions ratifications. By far, Korea officially has ratified 27 ILO conventions and it includes four fundamental Conventions which are **Minimum Age Convention, 1973 (No. 138); Discrimination (Employment and Occupation) Convention, 1958 (No. 111); Equal Remuneration Convention 1951 (No. 100) in 8th December 1997; and Worst Forms of Child Labor Convention, 1999 (No. 182)** (ILO, *The ILO in the Republic of Korea*, n.d.).

Becoming an ILO member has brought a major benefit for South Korea because 12 years after or exactly in 2003 Korea's Ministry of Employment and Labor signed a Memorandum of Understanding with ILO in order to formalize their partnership for development and year later after that Korean Government began to providing funding

aiming to support the ILO/Korea Partnership Program (ILO, Korea and the ILO: A partnership for development, n.d.).

Furthermore, after signing a Memorandum of Understanding with ILO, particular investments by successive governments in subsidized Early Childhood Education and Care (ECEC) since 2004 have led to a major increase in participation in early-years education among South Korean children and helps both parents to participate in the labor market if they so wish. Other work-life balance policies, such as parental leave and workplace practices that avoid very long hours, will also help women to remain in the labor market and promote a better sharing of unpaid work, thereby advancing gender equality in Korea. Affirmative action policies to promote women in management positions, such as targets or quotas for company boards of directors and in politics, can increase the visibility of women in leadership roles (OECD, Early Childhood Education and Care Policy in the South Korea, 2004).

However, after the participation in ILO, it was reported by World Economic Forum's Global Gender Gap Report in 2017 that South Korea ranked 118 out of 136 countries. The main reason behind this low ranking was caused by South Korea's low female labor force participation rate and the lack of women's representation in decision-making positions. The fact that labor force participation from women in their 20s is outnumbered men in the same age of the group, it left a small gap in the entry level between women and men. More shockingly with the same measure for South Korean women in their 30s shows a drastic decline, lagging at 60% of the rate for men in this age group (Forum, 2017).

This roughly means 300,000 women started from age 30-39 are positively resigned from their jobs because of new responsibilities arising from childbirth to childcare. As it was reported recently in 2015 the gender pay gap in South Korea is the

highest among OECD countries at 38.8% this means that for every \$100 USD male worker gets paid contrast with female workers only earned \$61 USD for the same amount of work, skills, and time that is spent. And by this contributing to making working life for women in South Korea is highly unappealing for them (Draudt, 2016).

However, as the world is changing South Korean Government does see a huge positive impact of women participation on the economy sector and it only can be maximized when the government itself strengthens its policies, allowing and supporting women to become leaders on the workplace while in the same times women are able to achieve a work-life balance and being able to take breaks to have children without putting their careers on holds.

As in 2013, it was reported that the Ministry of Gender Equality and Family (MOGEF) was focused on encouraging role in women's policy-making, in which had been carefully and separately planned and implemented among different ministries. The MOGEF's focused is on encouraging all ministries to get involved in narrowing down the gender gap. Specifically, relevant ministries closely work together to expand the number of in-house childcare facilities in the workplace (Yoon-Sun, 2014).

B. Research Question

Based on a set of background above, the research question of this research is formulated as follows: *How does the Strategy of South Korean Government in Narrowing the Gender Pay Gap?*

C. Theoretical Framework

1. International Regime Theory

According to Stephen D. Krasner (1982), a foreign system is an order that comprises a set of clear or implied values, norms, laws, and decision-making mechanisms that are interrelated with actors' preferences and contain their objectives in International Relations. (Krasner, 1982). Alternatively, Donald Puchala and Raymond Hopkins conclude that "regimes exist in every substantive topic of international relations where there is regularity in actions, certain forms of concepts, standards, or laws to justify it". According to Stephen Haggard and Beth A. Simmons (1987), international regimes have emerged as the most significant and central subject of academic study and analytical discourse in international relations over the last ten years. Dissatisfaction with the world order, authority, and organization's definition of authority has sparked interest in the system. (Stephan Haggard and Beth A. Simmons, 1987).

Relations between countries whose political power structure in their country is chaos is a perspective that argues in a competitive system. Not unexpectedly, observers have differed sharply about how a regime's standards and values can be described, resulting in a plethora of discrepancies with significant consequences for the understanding of regime stabilization and transition. State policies such as selective security and threatening developing nations, according to Susan Strange, John Zysman, and Stephen Cohen, have harmed the basic trade mechanism. The existence of a government includes multilateral arrangements such as the International Monetary Fund (IMF), the Biological Weapons Conventions, and the Kyoto Protocol, which can all be used to override bilateral agreements. (Strange, 1983).

The variance and alteration of the regime itself has many aspects. The first is power, which is discussed in this case when considering the key factors influencing regime change. The second is an agency that reads about multinational organisations as

well as certain topics related to decentralization legislation. The third point is regarding reach, which applies to the regime's different problems. The assigned mode is the last. Different social structures for resource sharing can be supported by different regimes. There are many analytical methods and concepts in the regime. (Krasner, 1982).

First, a theoretical guide to hegemony equilibrium. In the dynamics of the regime, the principle of equilibrium gives the fewest and most commonly used theories. More ironic than this approach is the philosophy, which was originally interested in openly promoting economic stability, particularly around the world, while ignoring the importance of laws and regimes. In terms of power and interdependence, Keohane and Nye were the first to link the regime's complexities to the state's power, which was beginning to fade. They claim that power is not entirely proportional in dynamic interdependence situations, implying that solutions to these issues would be ineffective. Strategy and game theory was the second solution. This technique is used to illustrate how collaboration of supranational authority can result in anarchic circumstances in order to impose conformity. The third is functional philosophy, which describes whether a person or an institution behaves in a certain way. The cognitivism method is the last. This approach helps to explain the regime by recognizing how the behaviour of actors as mentioned above relates to the behavior of those actors in their interests, which are influenced by their position in society rather than by so many material interests. Similarly, they conclude that analyzing the regime without taking into account the interrelationships between different points of view is incomplete. (Krasner, 1982).

The significance of a regime is that it performs critical roles in international affairs. The existence of a regime is needed because it is critical to establish global norms in international economics and politics. International regimes are described as types of action institutionalization centered on norms or rules for resolving disputes and

interdependence issues between countries in various fields of international relations. The term "universal regime" refers to efforts or forms of control that extend beyond a country's territorial borders. (Krasner, 1982).

2. Equal Treatment Approach

Fair Justice, according to Teresa Rees (1998), is a term embedded deeply in the liberal feminist tradition, including gender equality, which is characterized as the belief that everyone deserves equal treatment regardless of gender identity. Fair Justice means that each person deserves equal treatment, so addressing gender issues can be accomplished by equal opportunity programs that consider men and women equally. Fair pay programs for men and women, for example, are an example of this approach to offering equal care. (Rees, 1998).

D. Hypothesis

The Strategy of South Korean Government in Narrowing the Gender Pay Gap

are:

1. South Korea ratifying Equal Remuneration Convention in 1997 after they became ILO 152nd members in 1991.
2. South Korea adopts the Equal Treatment Policy which is Equal Employment Act since 1999 under the Framework Act on Gender Equality.

E. Scope of Research

The scope of this research is limited to the gender pay gap and the effort of South Korean Government in order to narrow down the issue and increase women participation in the workforce.

F. Research Objective

The objectives of this research are:

1. Describing the urgency of gender pay gap and the lack women participation in the workforce which makes this issue is highly important for government to manage this.
2. Describing the process of South Korean Government managing the issue by joining ILO in aiming to narrowing down the gender pay gap and to increase female workers to participate in the work place.

G. Research Methodology

This research is a descriptive study which uses the library research method in collecting the data. The data collected in this research is secondary data that obtained from books, journal article, scientific writings, online source, and other relevant sources to this research. All collected data is analyzed by using the qualitative methods.

H. Outlines

The outlines of this research proposal is explained as follows:

Chapter I

In this chapter the author explains the background, research question, theoretical framework, hypothesis, research methods, and outlines.

Chapter II

In this chapter, the author describes the gender pay gap issue and women's departure from work due to childbirth to childcare. It begins with the brief history of female labor participation in South Korea. In the following, the author explains about challenges in achieving gender equality in South Korea, then continued by the explanation from the challenges that contribute to gender pay gap issue in South Korea.

Chapter III

In this chapter author the author explains the strategy of South Korea's Government to narrow down the gender pay gap issue by applying the theoretical frameworks used in this thesis. This chapter will describe the reasons of South Korea joined ILO and finally became ILO members and how it affects South Korean domestic policy regarding to gender pay gap. Further the author explains what policies that South Korea's Government implemented to narrowing down the gender pay gap issue as well as the strategy by government in order to increase women participation in the workforce.

Chapter IV

In this chapter, the author closes the thesis by concluding the whole chapters explained previously. The conclusion in this chapter is the final results of a series of author research process.