

The Comparison and Reform of the Way of Providing for the Aged in China and South Korea

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Abstract: The pension issue has been widely concerned in China and South Korea. The purpose of this study is to compare the way of providing for the elderly in China and South Korea and explore its transformation, so as to provide enlightenment for the policy and practice of providing for the aged. Using a literature review method, this study collects and analyzes academic research, policy documents, and empirical data on elderly care styles in China and South Korea. By comparing the differences in the old-age care models, family relationships, old-age care institutions, and old-age care services between the two countries, this paper discussed the reform measures and trends in the two countries' old-age care methods, and summarized the commonalities and differences in the way of supporting the elderly in China and South Korea. Family relations are very important in the pension model of both countries, but China's traditional family pension model is facing challenges, while South Korea focuses on the development of pension institutions and community pension services. The Chinese government is improving its community elderly care services. The South Korean government improves the pension methods by providing diversified pension services and adopting innovative technologies, and is committed to promoting the reform of pension methods.

1. Introduction

Population ageing is a global trend. Both China and South Korea are facing the challenge of rapid aging, which poses a severe test to socioeconomic development and social welfare systems. How to effectively deal with the needs of the elderly is the top priority of the society.

In the past few decades, scholars have conducted extensive research on the elderly care in China and South Korea. Among them, scholar Siren A believed that assistive technology in nursing work was expected to alleviate the challenges associated with population aging, namely public budget pressure and shortage of nursing professionals [1]. Shi Y used the system dynamics method to

conclude that government policies had played an important role in promoting the development of medical and elderly care institutions[2]. Seonghyun Y used the methods of literature review, expert interviews and data analysis, based on the concept of the integrated development of China's sports industry and elderly care service industry, and focused on the endogenous logic and predictive model of the integrated development of the two industries [3]. Some studies focus on the continuous influence and change of the traditional family care model, and explore the influence of family relationship on the way of care and the interaction between family care and institutional services for the aged. In addition, there are studies that focus on the development of elderly care institutions and the provision of elderly care services, and explore the role and role of the government in elderly care policies and services. However, there are still relatively few comparative studies and in-depth analysis of the transformation of the elderly care methods in China and South Korea.

Using a comprehensive research method, this study aims to compare and explore the changes in the way of providing for the elderly in China and South Korea. Through literature research, this paper has a comprehensive understanding of the differences between the two countries in terms of old-age care models, family relationships, old-age care institutions, and old-age care services, and discusses the reform measures and trends in the two countries' old-age care methods. This will help in-depth understanding of the common challenges and lessons learned in the field of elderly care in China and South Korea, and provide useful reference and reference for the elderly care policies and practices of the two countries.

2. Chinese and Korean Pension Methods

Population aging is the result of multiple factors such as the improvement of medical care, the decline of fertility rate, and social and economic changes. Table 1 shows the stages of population aging.

Table 1. Classification of population aging stages

Phases	Aging(%)
aging society	$7 < PA \leq 14$
aged society	$14 < PA \leq 20$
super-aged society	$20 < PA$

2.1 The Characteristics and Practice of Chinese and Korean Family Pension Methods

Traditional Chinese family values emphasize the importance of the family, and children have the responsibility to take care of their elderly parents. Multigenerational living or living in close quarters are common family patterns. In the Chinese family care system, family members are the main caregivers, and children will take care of their parents, including providing daily care, medical care and emotional support. Chinese culture emphasizes the concept of filial piety, and children generally believe that taking care of their parents is a moral obligation and a family tradition. Chinese families often have multiple generations living together, forming a strong support network that can share care responsibilities and pressures.

South Korea's aging process is relatively rapid, leading to challenges in the family pension model, and children cannot fully assume the responsibility of care. With social changes, the rise of South Korean nursing homes has become a common way of providing for the elderly. Elderly people receive comprehensive care and professional nursing care in nursing homes. South Korea attaches great importance to community elderly care services, providing community centers, elderly

activity centers and other facilities to provide social, medical and entertainment support for the elderly. The South Korean government has also introduced various pension and welfare programs to provide financial support and social security for the elderly.

2.2 The Similarities and Differences of the Old-age Care Models of the Two Countries

The types of elderly care institutions in China and South Korea are different. China's elderly care institutions include nursing homes etc., providing a full range of services such as housing, food, medical care and nursing; while South Korea's elderly care institutions are mostly nursing homes, providing professional nursing and medical services. In China, it is usually decided by family members or the elderly that the elderly live in an elderly care institution, and most of them are self-financed or supported by the family; while in South Korea, it is usually decided by the elderly to live in an elderly care institution, and the government provides partial subsidies or social insurance coverage. The service standards and quality of China's elderly care institutions are uneven, and there are certain differences; while the service standards of South Korea's elderly care institutions are relatively uniform and standardized, and are subject to government supervision and management. Figure 1 shows Chinese people's understanding of the old-age care model. Figure 2 shows the grades of nursing homes they are willing to choose. (Data source: Digital 100 market research company)

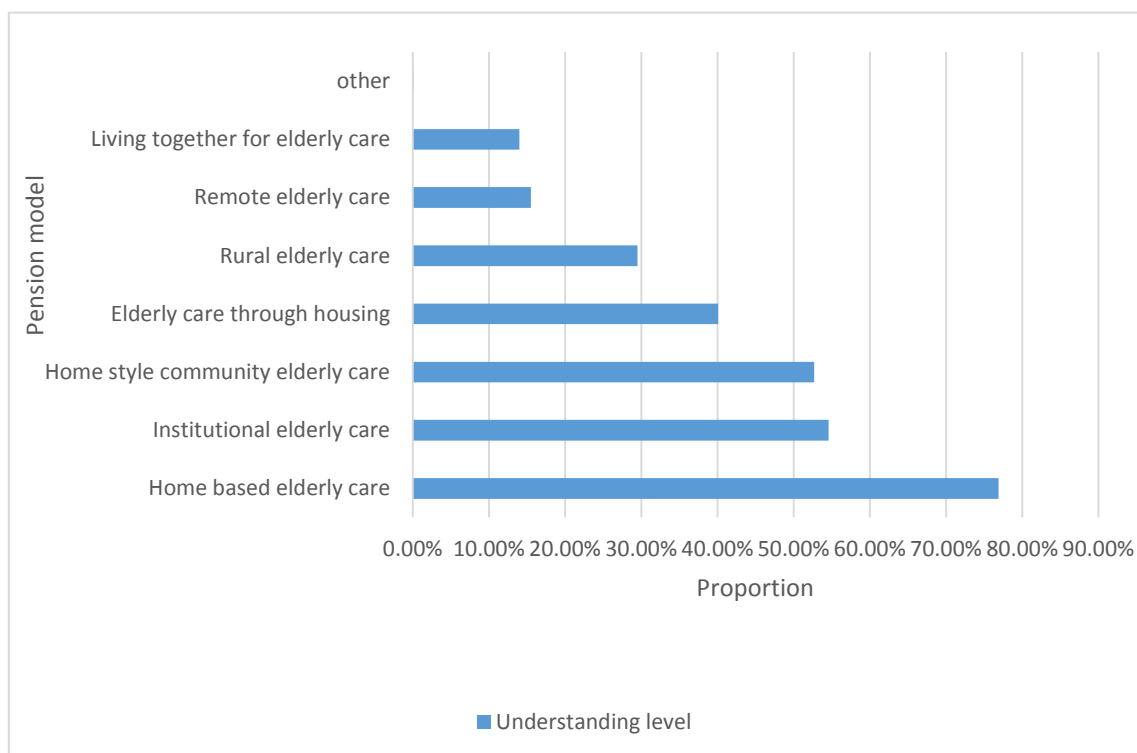


Figure 1. Chinese people's understanding of the old-age care model

Elderly care institutions in both China and South Korea provide professional nursing and medical services, including regular health checkups, drug management, rehabilitation care, etc., to meet the medical and health needs of the elderly. Both Chinese and Korean elderly care institutions focus on providing social activities and entertainment for the elderly, such as cultural performances, fitness activities, hand-made, etc. Elderly care institutions in China and South Korea are committed to providing care and emotional support for the elderly. Through care, companionship and

psychological support, they can meet the emotional needs of the elderly and alleviate loneliness and depression.

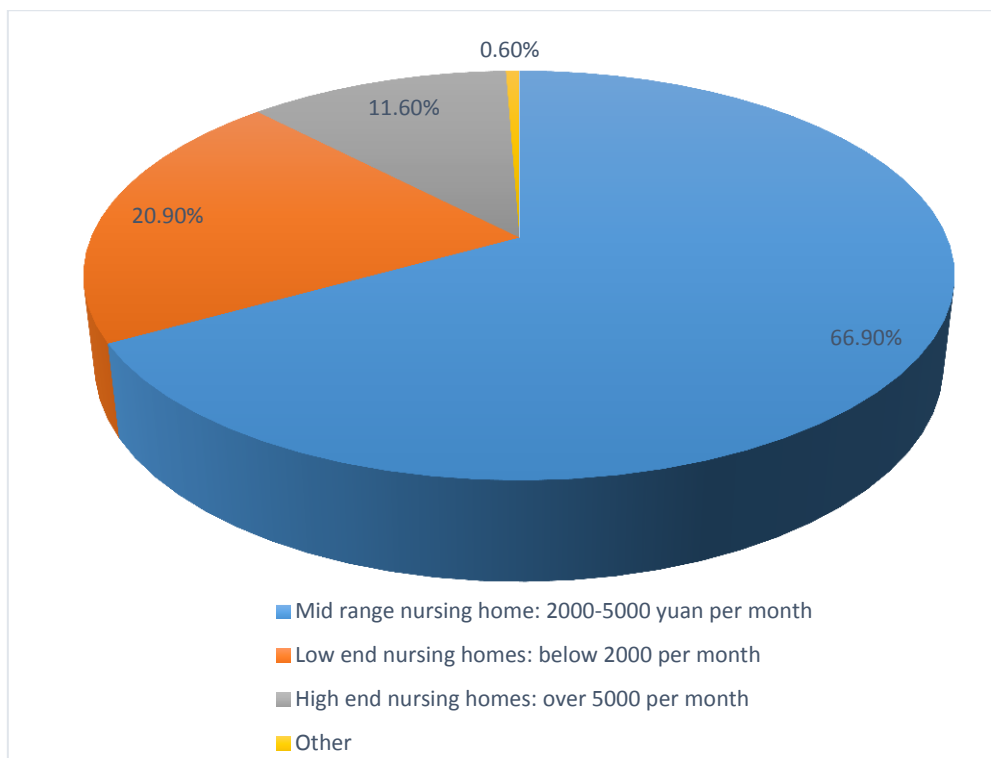


Figure 2. The grades of nursing homes that Chinese people are willing to choose

3. Changes in the Way of Providing for the Elderly in China and South Korea

3.1 The Impact of Socioeconomic Background on the Way of Providing for the Aged

Socioeconomic background has a profound impact on the way people provide for the elderly. First, economic conditions are an important factor. In the context of a relatively affluent society, people may have more choices and resources to support their retirement. They can choose high-quality retirement communities or private nursing services, and enjoy better living conditions and medical security. In contrast, in the context of economic hardship, people may be faced with limited economic resources and may be more inclined to rely on family support or rely on the social welfare system. Secondly, the difference of the national security system directly affects the individual's pension choice. Some countries offer comprehensive pension and health insurance systems, allowing them to choose more independent and diverse pension approaches. In places where there is no sound social security system, the elderly may be more dependent on family and community support, and they may be more inclined to live with their children or rely on basic social assistance. Finally, the socioeconomic context can also affect the social participation and sustainability of the aged care approach. In a social background with better economic conditions, the elderly can participate in cultural, entertainment and educational training to maintain a positive social role and physical and mental health. In a context of economic hardship, older adults may face social exclusion, isolation, and mental health issues, and care options may be more limited and monotonous.

Socioeconomic background has a wide-ranging and direct impact on the way of providing for the aged. The economic status determines the choice and feasibility of individuals and families in providing for the aged, while the social participation determine the quality and sustainability of the providing for the aged. Therefore, establishing a sound social security system and promoting social and economic development are crucial to improving the choice and quality of old-age care. Figure 3 shows the proportion of the elderly population (age >65 years old) in the two countries.

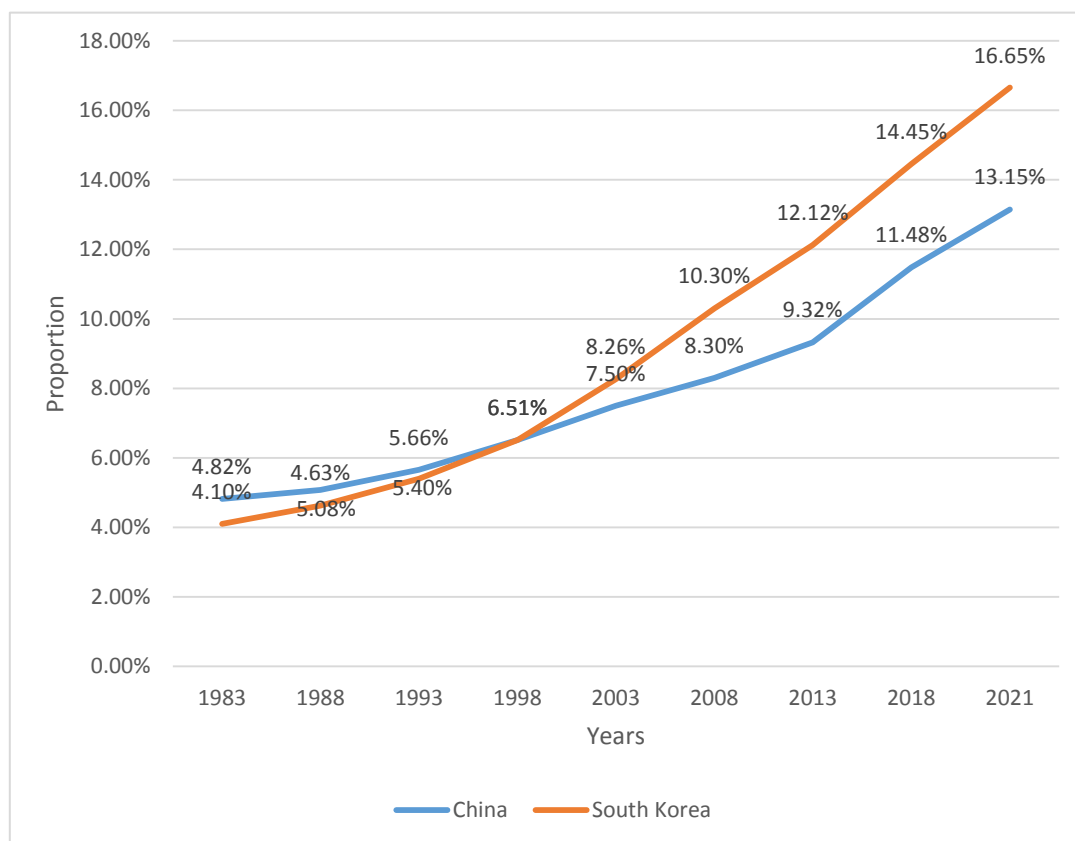


Figure 3. Proportion of elderly population in the two countries

(Data Source: Kuaiyi Wealth Management Network)

3.2 System and Regulation Reform

3.2.1 Comparison of pension insurance systems in China and South Korea

The endowment insurance systems of China and South Korea both cover most of the labor force population, but the specific insurance targets and standards are different. In China, the insured objects of endowment insurance are mainly enterprise employees and urban residents. In South Korea, the insured objects of endowment insurance are all employed and self-employed persons, including residents in rural areas. There are also some differences in the payment and welfare levels of the pension insurance systems of China and South Korea. In China, enterprises and employees pay pension insurance premiums separately, and the payment standards and benefit levels vary with regions and occupations. In South Korea, employed persons and self-employed persons pay endowment insurance premiums in proportion to their income, and the level of benefits varies according to the payment period and personal income. Generally speaking, South Korea's pension insurance system has a relatively high level of contributions and benefits. Pensions in China are

mainly paid jointly by the social security fund and the state finance, and the payment methods include monthly payment and one-time payment. In South Korea, pensions are mainly paid by the state finances, the payment methods include monthly payment and one-time payment, and it can also choose to delay payment to obtain a higher pension. China's elderly care service and nursing system is relatively weak, mainly relying on family and community support. In South Korea, the elderly care service and nursing system are relatively complete, including nursing homes, nursing centers, home care and other forms, providing more choices and support for the elderly. Tables 2 and 3 show the old-age security systems of the two countries, and Figure 4 shows the aged population of South Korea who participated in the insurance over the years.

Table 2. Korean Pension Security System

Pillar system	Pension plan	Pillar system
Zero pillar	Basic pension	Receive 100000 to 200000 Korean won per month
First pillar	National pension	Established in 1988
Second pillar	Enterprise annuity	Implemented in 2005
Third pillar	Personal pension	Introduced in 1994 EEE mode
Fourth pillar	Family support	Family support is an important form of support

Table 3. China's Pension Guarantee System

Pillar system	Pillar system
First pillar	Basic old-age insurance system
Second pillar	Supplementary pension in an enterprise
Third pillar	Personal savings type pension insurance

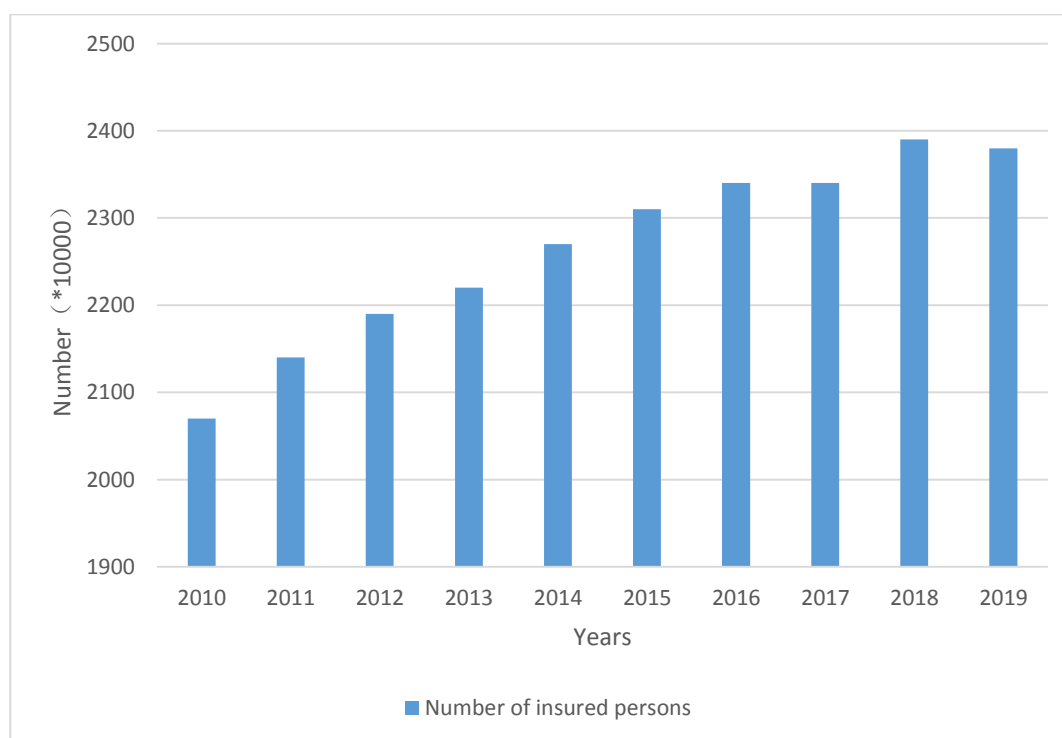


Figure 4. The number of elderly people insured in Korea over the years

(Data source: Korean Ministry of Health and Welfare, Health and Welfare Statistical Annual Report)

3.2.2 Analysis of the reasons for the differences

The different historical and cultural backgrounds of China and South Korea have affected the pension insurance systems of the two countries. China began in the 1950s, but due to historical reasons, the pension insurance system for migrant workers and rural residents is relatively weak. However, South Korea began in the 1980s, with a relatively wide coverage, including residents in rural areas. The different levels of economic development between China and South Korea have also affected the pension insurance systems of the two countries. China's economy is developing relatively fast, but there are still a large number of low-income people and migrant workers. The pension insurance system needs to take into account the needs of these people. South Korea's economic development is relatively mature, the pension insurance system is relatively complete, and the scope of protection is wider. The formulation and implementation of policies in China and South Korea have affected the pension insurance systems of the two countries. China shall be uniformly formulated and implemented by the state; South Korea is joined by local governments and social groups. There are also differences in social needs and expectations between China and South Korea. The degree of aging in China is relatively high, and the needs of the elderly for elderly care services and care are more urgent; while the degree of aging in South Korea is relatively low.

3.3 Changes in Pension Methods in the Two Countries

From the last century to this century, the old-age care methods in China and South Korea are undergoing changes, and their old-age care models and security systems have been improving.

The improvement of the pension system: With the intensification of the aging population, the elderly care services and nursing systems in China and South Korea are constantly improving. China is promoting various forms of elderly care services such as "home care" and "community care" to provide more choices, China is also strengthening the training and deployment of elderly care facilities. South Korea is continuously expanding the coverage of elderly care services, including building more nursing homes and nursing centers, and providing more elderly care services and nursing support.

Reform of the old-age insurance system: The old-age insurance systems of China and South Korea are also constantly being reformed and improved. China is promoting the reform of the enterprise pension insurance system, and gradually realizing the pension insurance system combining social pooling and personal accounts. South Korea is continuously increasing the contribution ratio and benefit level of pension insurance, and improving the pension level and coverage of retirees.

Application of technology and informatization: China is promoting the application of technologies such as smart elderly care and telemedicine. South Korea is actively promoting new technologies such as "elderly care service robots".

Generally speaking, the old-age care methods in China and South Korea are undergoing changes, mainly reflected in the improvement of old-age services and nursing systems, and the application of technology and information technology.

4. Conclusion

By comparing the pension methods of China and South Korea, there are some commonalities in the pension models of China and South Korea. Demand for elderly care services is increasing in

both countries. In addition, family relations are very important in the pension model of both China and South Korea. Family members often take on the responsibility of caring for the older person, providing them with the support and love they need whenever possible. However, there are also some differences in the way of providing for the elderly in China and South Korea. In China, with the change of family structure and the reduction of family size, the traditional family pension model is facing challenges. The problem of the left-behind elderly is becoming increasingly prominent.

In contrast, South Korea has made great progress in elderly care services. The South Korean government is committed to providing diversified and high-quality elderly care services, including building modern nursing homes and promoting the development of community elderly care services. In addition, South Korea also encourages the application of innovative technologies.

Therefore, we can see that both China and South Korea are actively changing in the pension mode. China is trying to adapt to the challenges of an aging population. And South Korea uses innovative technologies to meet the needs of the elderly. In the future, China and South Korea can further strengthen cooperation, share experience and best practices, and jointly deal with pension issues.

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Data Availability

Data sharing is not applicable to this article as no new data were created or analysed in this study.

Conflict of Interest

The author states that this article has no conflict of interest.

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