

## Whole Life Stratification and Safety-net Status : From an East Asian Comparative Viewpoint

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## Article

# Whole Life Stratification and Safety-net Status: From an East Asian Comparative Viewpoint

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### Abstract

In this paper, by focusing on the long-term stock of social resources for retirement living, we discuss whole life stratification. In this respect, the best index for a person's status is the safety-net status, one's relative access to the institutions of the social safety net. Using the 2005 SSM data in Japan and in South Korea, we measure safety-net status and investigate the relationship with occupational stratification and family from an East Asian comparative viewpoint. After confirming the distribution patterns that are characteristic for people of specific age groups in each country, we analyze the prescriptive structure of the specific safety-net status within specific age group. By comparing the structures, we forecast the transformation of the distribution patterns with aging and discuss the difference between Japan and Korea.

Keywords and Phrases: Stratification, Safety net, Retirement living, East Asia

## 1 Social Safety net and Social Stratification

A social safety net is a mechanism designed to disperse risk more evenly across society. Both the size and level of institutionalization of safety-net systems vary and different types may coexist within a given society. When constructing national insurance and pension systems, we commonly rely on small-scale mutual financing associations. Moreover, we frequently utilize informal social network resources to increase our security. Risk appears in many negative guises such as unemployment, disease, accidents, disaster, and aging. It also accompanies positive change (in the sense of risk taking) such as in the case of business expansion, entrepreneurship, and our investment in children's education. In this paper, we limit our focus to an issue of great importance to Japan and many other countries, the provision of a social safety net for retirement living. In addition to ad-

ressing a pressing social issue, this paper highlights several new theoretical avenues for social stratification research.

When conceived as a static state, the term social stratification describes a context wherein social resources are unequally distributed among people of a given society. A social safety net is a mechanism devised with the intention to rework social stratification. In other words, a safety net is deployed in accordance with certain egalitarian ideals in an attempt to correct social stratification. This reworking is constantly ongoing and is weaved into the actual process of creating social stratification. Thus, it is almost impossible for researchers to distinguish the reworking part from the social stratification itself. Therefore, we suggest that social stratification research should consider not only resource distribution, but also risk distribution. Because the social safety net for retirement living comes into

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play only after people have left the occupational stratification system, it has generally fallen outside the scope of social stratification research. Our basic assertion is that we need to consider the long-term stock of social resources, and to define stratification status even for people who have left the occupational stratification system. The most important index for identifying a person's status within the stratification of retirement living is stock against risk, in other words, one's relative access to the institutions of the social safety net. We call this "safety-net status."

The safety-net status reflects the current situation experienced by people of advanced age from the viewpoint of stock and insurance. However, it is also significant for young people because it also reflects their attitudes about preparing for retirement living in the future. These attitudes depend on the clarity with which a young person anticipates his needs for retirement living. It would stand to reason that when comparing two young men with the same occupational status, the one who clearly anticipates and prepares for retirement living should possess a relatively higher safety-net status level than the one who does not address this issue. Thus, the idea of safety-net status is not only significant for people of advanced age, but also supports the generalization of the concept of stratification status such that it incorporates the viewpoint of whole life stratification.

At the societal level, policies concerning the provision of a social safety net reflect a conflict of values between economic growth (efficiency and competition) and redistribution (justice and solidarity). At the level of the individual, factors that influence this conflict of values can be separated into two types: first, the way in which an individual depends on the social safety net, and second, the amount of social resources and human capital he/she has to survive. As previously discussed, the social safety net and social stratification are theoretically indivisible. However, when focusing on lifestyle at the individual level, analytically dividing safety-net status from stratification status is both possible and produces significant results.<sup>1)</sup> Theoretically, these two aspects are different from each other with regard to the principles that control them; that is, the nation controls the former and the market controls the latter. The abovementioned conflict of values is restated as the problem of how to regulate the market-nation re-

lationship in capitalist societies. In addition, in order to reexamine Esping-Andersen's (1990) welfare regime within the scope of stratification research, especially in the East Asian context, we need to consider the family as the third principle.

Thus, at the core of our conceptual scheme exists the triple relationship between safety-net status, occupational stratification, and family. The main purpose of this paper is to develop a measurement for the safety-net status and to explore the implicit structures that characterize the triple relationship from an East Asian comparative viewpoint.

## 2 Background and Analysis Framework

In order to measure safety-net status, we focus on our reliance on public pension systems. After WWII, the Japanese government enacted a national pension system and in 1961, extended its coverage to realize the universal provision of a retirement benefit. In 1986, it enacted the national pension program, which entailed the universal provision of a basic pension. The pension system has been the lynchpin of the social safety net in Japan. In addition to the rapid change of population structure caused by a declining birthrate and an aging population, the long economic depression following the 1990s has made it difficult to maintain the system as it was.<sup>2)</sup> No pension system will work well if we lack a notion of redistribution throughout generations. People agree to participate in the national pension program because it will help people from older generations afford their retirement, and because they expect the next generation to do the same thing for them. It is a sense of generalized reciprocity or of solidarity that links people from generation to generation. The malfunctioning of the Japanese public pension system implies that this type of solidarity has become weak.

Thus, in order to analyze the abovementioned market-nation-family relationship, we need to employ an intergenerational viewpoint. Of course, the strength of intergenerational solidarity is heavily dependant on the history and actual institutions of the pension systems. Through comparison with South Korea, we clarify the characteristics specific to the Japanese case and examine variances in the market-nation-family relationship within the East Asian context.

In South Korea, the establishment of pension systems began in the late 1980s under the auspices of the policy for productive welfare during the Kim Young-sam government (Ishizaki, 2003; also see Takegawa and Lee, 2006: Chaps. 2 and 4). Since 1962, the retirement benefit system has worked to insure that citizens would receive help with retirement living. However, coverage was not universal; small businesses that employed fewer than five workers were out of the range of law enforcement. The national pension system that began in 1988 is the extension of the retirement benefit system in the sense that its financial base depends on companies' reserves for retirement benefits. It was in the year 2000 that the universal retirement benefit was realized.<sup>3)</sup> Thus, the reality of the public pension system in Korea with regard to intergenerational relations is considerably different from that of its Japanese counterpart. Moreover, we need to pay attention to changes in the labor market situation following the IMF crisis in 1998, specifically in terms of the deregulation against dismissals and dispatch labor.

An individual's safety-net status indicates the level of preparation he/she has made for uncertain events such as accidents, diseases, unemployment, and retirement, and includes his/her estimation of the risk that will accompany these types of uncertainty. In the case of pensions, this estimation reflects how strongly he/she intends to rely on the pension system for retirement living. Therefore, we introduce a subjective safety-net

status. By focusing on the aspect of stock and by fixing reliance on public pension systems (subjective belief about access) for the central classification axis, we distinguish four safety-net status patterns: 1) "public-only reliance" (relying only on public pensions), 2) "double-stock reliance" (relying not only on public pensions but also on private stock), 3) "private-only reliance" (relying only on private stock), and 4) "no-stock reliance" (relying neither on public pensions nor on private stock).

To generate data, we use the 2005 SSM (Questionnaire form A) in Japan and South Korea. The questionnaires commonly include the following question: "How much do you plan to rely on each of the types of income listed below to help you get by after retirement?" Three types of income in relation to stocks were listed: public pensions, individual retirement accounts offered by insurance companies or the post office, and savings accumulated until retirement by you or your spouse. Public pensions in Japan include welfare pensions, the national pension plan, and mutual benefit annuity. In Korea, they include the national pension plan, pension plans for government officials, military officers and school teachers, and mutual benefit annuity.<sup>4)</sup> Respondents answered whether or not they will rely on these resources respectively according to four-point scales. We use this question to operationally measure the abovementioned safety-net status patterns.

We begin by defining a new dichotomous variable for public pensions. In Japan, because the rate of reli-

Table 1 Four Patterns of Safety-net Status

a) Japan		Private Stock		
		Not rely on	Rely on	Total
Public Pensions	Not strongly, Not rely on, Never think about	<i>No stock reliance</i> 940 (67.6%)	<i>Private only reliance</i> 451 (32.4%)	1391
	Strongly rely on	<i>Public only reliance</i> 827 (57.6%)	<i>Double stock reliance</i> 609 (42.4%)	1436

b) South Korea		Private Stock		
		Not rely on	Rely on	Total
Public Pensions	Not rely on, Never think about	<i>No stock reliance</i> 943 (76.1%)	<i>Private only reliance</i> 296 (23.9%)	1239
	Rely on	<i>Public only reliance</i> 412 (49.0%)	<i>Double stock reliance</i> 429 (51.0%)	841

\* In both countries, 'private stock' is based on sum of category points of two private safety-net items and 'not rely on' is equal or less than 5 point.

ance on public pensions is high, we divide the extreme category “rely on heavily” from other categories. In Korea, the distinction is simply whether or not respondents “rely on” public pensions. In both countries, the new “do not rely on” category includes “never thought about it” and DK as well. For the other two private safety-net items, we take the sum of the category points and divide it into two categories by fixing the median for the division value.<sup>5)</sup> The combination of these two binary variables (Table 1) produces four safety-net status patterns.

### 3 Economic and Family Conditions of Safety-net Status

Figure 1-a indicates the distribution of the safety-net status in Japan as compared by age strata. It is apparent that no-stock reliance and private-only reliance are gradually replaced by public-only reliance and double-stock reliance according to age. In more detail, the increase of double-stock reliance stops at the late 40s or early 50s and its proportion appears to be fixed hereafter. Because of this tendency, the most vivid contrast exists between the no-stock reliance of young people and the public-only reliance of elderly people. The late 40s should be the time to think seriously about retirement living and risk. Consequently, behaviors at this time should generate a fork wherein one path leads towards double-stock reliance as a thick safety net and the other, towards the thinner public-only reliance.<sup>6)</sup> The explanation of this branching should constitute the basic analysis framework for Japan.

Figure 1-b indicates the distribution of the safety-net status in Korea as compared by age strata. As in Japan, the proportion decreases for private-only reliance but increases for public-only reliance according to age. However, in sharp contrast with Japan, in Korea, double-stock reliance is gradually replaced by no-stock reliance according to age. This tendency reflects the later timing of the enactment of the national pension plan in Korea. Therefore, we expect that in the future, a relatively high proportion of double-stock reliance among young people will remain even after they grow old. On the other hand, it is uncertain that no-stock reliance at a young age will be smoothly transformed into double-stock reliance with aging. Rather, we expect that

whether or not they begin with double-stock reliance will exert a consistent influence on their future. Thus, in Korea, the examination of the formation of this type of fork, which might appear even at a young age, should constitute the basic analysis framework.

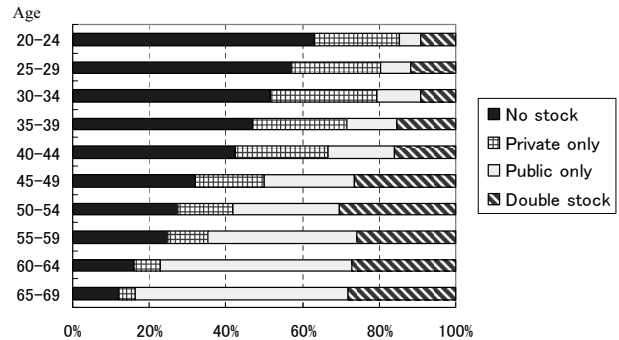


Figure 1-a Safety-net Status by Age: Japan

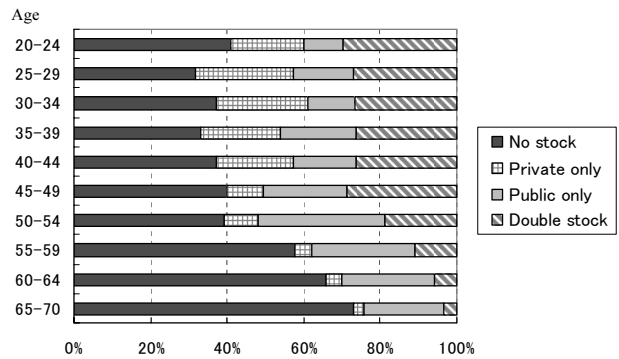


Figure 1-b Safety-net Status by Age: South Korea

Considering the analytic frameworks previously discussed, in this section, we investigate the economic and family conditions that influence safety-net statuses in Japan and in Korea, respectively. Let us take a look at Japan first.

In Figure 2, we compare the average annual incomes of distinct safety-net statuses by dividing age into three categories.<sup>7)</sup> The respondent’s personal income is indicated on the left and the household income, on the right. Focusing on public-only reliance and double-stock reliance in the oldest age group, the abovementioned branching does not reveal a significant difference in personal incomes, but does reflect a 1,500 thousand yen difference in household incomes. The latter difference is as great as 1,300 thousand yen even in the middle age group. On the other hand, although the number is relatively small, private-only reliance and no-stock reliance in the oldest age group have good income conditions. Specifically, respondents selecting private-only reliance in this age group are substantially supported with high income. Inversely, public pension reliance in-

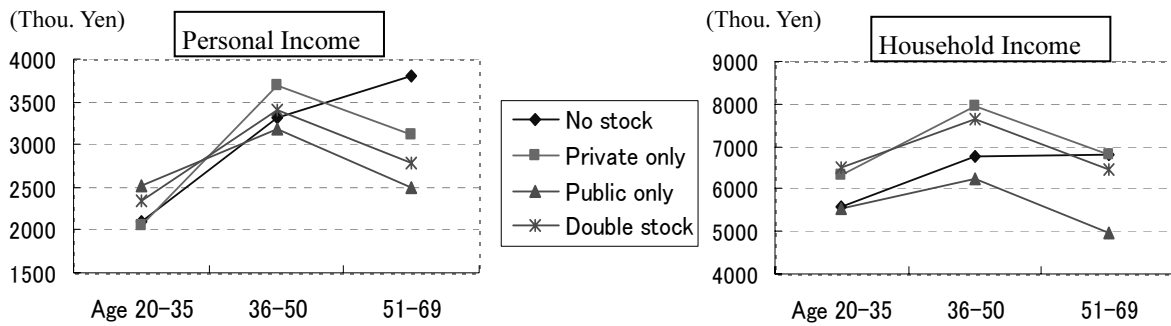


Figure 2 Income Conditions of Safety-net Status: Japan

indicated by public-only reliance and double-stock reliance is characteristic to relatively low-income respondents; therefore, public pensions in Japan are relied on exactly as the safety-net. However, the connection between low income and public pension reliance is not so apparent in the youngest age group. The status of low-income young Japanese is more likely to be no-stock reliance.

Moreover, Japanese respondents whose status is public-only reliance tend to lack kinship solidarity. Figure 3 compares the percentage of “relying on” financial support from children or relatives after retirement, controlling for whether they have children. (This category includes “do not rely on much” because the total percentage of “rely on heavily” and “somewhat” is low at the 7% level.) Apparently, public-only reliance respondents, irrespective of age and whether or not they have children, indicate their low reliance on kinship resources. Listed in descending order in terms of average number of children among the married sample, respondents chose “no stock,” “public only,” “double stock,” and “private only.” Thus, a status of public-only reliance—in particular, for elderly Japanese—indicates vulnerability to the risk of falling into poverty and isolation.

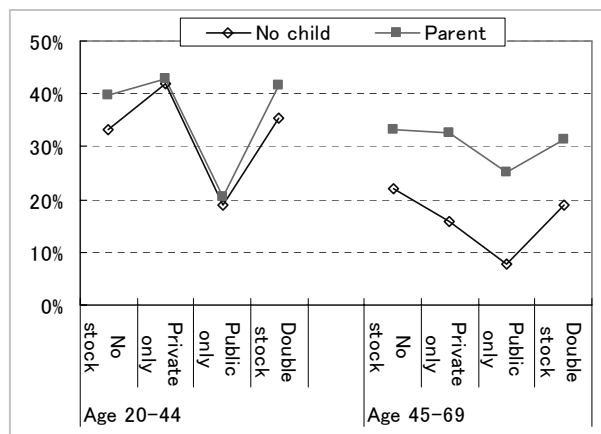


Figure 3 Family Reliance Conditions of Safety-net Status: Japan

For Korea, Figure 4 compares the average of annual income of safety-net statuses by dividing age into three categories. While the income gap is small in the youngest and middle age groups, is it considerably larger in the oldest. In Korea, when people of advanced age indicate double-stock reliance, this implies substantial support with high income. On the other hand, no-stock reliance and public-only reliance are associated with low income. These income gaps will change when the younger generations become old. However, the following expectations are also noteworthy: 1) the mechanism of the gap formation, specifically in relation to stratification, might remain the same in the future; and 2) double-stock reliance might nevertheless keep its superior position.

The percentages in Figure 5, as in Figure 3, indicate the level of “relying on” financial support from children or relatives after retirement. The original rate of “relying on” in Korea is relatively high at 15 percent. However, the reliance level in Figure 5 includes “do not rely on much” so that we could compare it directly with the Japanese case indicated in Figure 3. (The graph lacks some points in the cases of people from the ages of 45–69 with no children because there are few samples that correspond to these categories.) One apparent trait is the high kinship reliance of the no-stock reliance status among elderly people who have children in contrast with those who have none. In the younger age groups, the category that indicates strong kinship reliance is double-stock reliance rather than no-stock reliance. When listed in descending order of average number of children among the married sample, the result for Korea is the same as in Japan: no stock, public only, double stock, and private only. Thus, in Korea, the superior position of double-stock reliance is additionally strengthened by kinship support. Kinship support

should work for no-stock reliance among elderly people at present, but this type of family situation might rapidly change. Thus, we need to consider the possibility

that no-stock reliance without kinship support might increase in Korea in the near future.



Figure 4 Income Conditions of Safety-net Status: South Korea

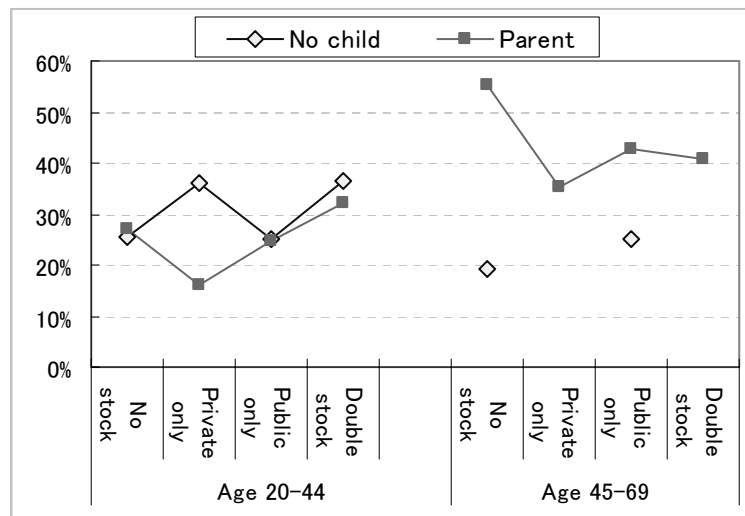


Figure 5 Family Reliance Conditions of Safety-net Status: South Korea

\*) Graph is incomplete for age 45-69 with no child because of too small number of corresponding samples.

#### 4 Stratification Determinants of Safety-net Status: Japan

Considering the basic features of safety-net status and the analytic frameworks previously confirmed, we analyze how status branching with regard to public pension reliance is prescribed by social stratification. For this purpose, we divide samples into two age groups: younger than 45 and equal to or older than 45. In Japan, the focus of the analysis is no-stock reliance and private-only reliance, which relatively young and low-income people tend to have. What will happen to them in the future? Assuming that the configurations of safety-net status in Figure 1 would be reproduced in the fu-

ture, the sizes of the two abovementioned status groups should considerably decrease with aging. In this case, an important question is what factors would determine transformation not into public-only reliance, but rather the thickest double-stock reliance. Although pursuing this process directly is impossible without panel data, the following method approximates it and makes it possible to approach the answer.

First, we look at the elderly sample equal to or older than 45 years, and explore the determinants of not being public-only reliance and instead being double-stock reliance.

Secondly, we turn our attention to the younger sample under 45 years of age and explore the determi-

nants of being no-stock reliance. Moreover, limiting the sample to those who have stock reliance, we explore the determinants of being private-only reliance among them.

Our final task is to examine the similarity and dissimilarity between these prescriptive structures of safety-net statuses specifically from the viewpoint of social stratification. An implicit hypothesis about transformation with aging is that no-stock reliance is apt to become public-only reliance and that private-only reliance is apt to become double-stock reliance. We assume that the similarity of prescriptive structures between the two age groups should imply the possibility of the transformations of status to some extent. At the very least, through this analysis, we will be able to specify the relationship between stratification status and safety-net status and to discuss its stability and change.

#### 4.1 Being Double-stock Reliance when Elderly

The first analysis is to capture which stratification attributes in Japan influence elderly people to be double-stock reliance for the thickest safety-net status. We extract samples whose type is public-only reliance or double-stock reliance, and conduct binominal logistic regression analysis by fixing the dependent variable as dichotomous whether double-stock reliance (1) or public-only reliance (0). The stratification attributes used as independent variables are education (1 for over col-

lege), occupation (four categories by ISCO), and three work conditions, that is, workplace size (1 for over 500 workers or public service), employment status as regular worker (1 for non-regular), and employment status as self-employed (1 for self-employed). With regard to occupations and working conditions, we separately examine the first job as the starting stage of stock formation and the last job as its last stage. For Japan, because of a small number problem, employment status as self-employed is considered only when we analyze the last job. As fundamental attributes that would have an effect on the dependent variable, we controlled for sex (1 for male) and marriage status (1 for married).<sup>8)</sup>

Table 2 indicates the results by focusing on odds ratio. The overall predictive power of the model is not very high. However, it is noteworthy that every occupational category except for “clerical” indicates a significant negative effect as compared with “profession, management, and engineer” for the reference category. Specifically, “manual and farmer” and “sales and service” reveal a relatively weak tendency to be double-stock reliance, as is seen in both the first and last job. Education has no significant effect. Among the three variables of work conditions, “workplace size” to be over 500 workers or public service reveals a significant positive effect on double-stock reliance, and this effect is more apparent in the case of the last job. Being female also strengthens the tendency to be double-stock reliance.

Table 2 Logistic Regression of ‘Double Stock’ (=1) / ‘Public Only’(=0):Japan, Elderly Sample

	First Job	Last Job
	Exp (B)	Exp (B)
Sex (male=1)	0.60 ***	0.60 ***
Marriage status (married=1)	1.75	1.67
Education (over college=1)	0.93	0.86
Workplace size (over 500 or public service=1)	1.31 *	1.46 **
Employment status (non-regular=1)	0.90	1.11
Employment status (self employed=1)	---	1.20
ISCO4 (ref.=profession, management, engineer)	***	***
Clerical	0.68 *	0.89
Sales, Service	0.49 ***	0.54 ***
Manual, Farmer	0.35 ***	0.51 ***
Constant	0.91	0.57
-2 Log Likelihood	1388.39	1549.79
Cox & Snell R <sup>2</sup>	0.06	0.04
N	1075	1227



Table 3 Logistic Regression of 'No Stock' (=1) / Other (=0): Japan, Younger Sample

	First Job	Last Job
	Exp (B)	Exp (B)
Sex (male=1)	1.06	1.17
Marriage status (married=1)	0.60 ***	0.56 ***
Education (over college=1)	0.91	0.84
Workplace size (over 500 or public service=1)	0.70 ***	0.66 ***
Employment status (non-regular=1)	1.45 *	1.62 ***
Employment status (self employed=1)	---	1.86 *
ISCO4 (ref.=profession, management, engineer)		*
Clerical	1.11	0.93
Sales, Service	1.63 **	1.58 **
Manual, Farmer	1.39	0.99
Constant	1.25	1.36
-2 Log Likelihood	1314.06	1319.11
Cox & Snell R <sup>2</sup>	0.04	0.06
N	980	995

#### 4.2 Being No-Stock Reliance when Young

The second analysis is to capture which stratification attributes influence young people to be no-stock reliance, which is expected to change into public-only reliance in the future. Following the same analytical framework used for Table 2, we extract all samples less than 45 years and then conduct binominal logistic regression analysis for the dichotomous dependent variable, wherein (1) indicates no-stock reliance and (0) indicates other. Table 3 shows the results.

Among work conditions, "workplace size" to be over 500 workers or public service reveals significant negative effects on no-stock reliance both for the first and the last job. In addition, "employment status" as non-regular or self-employed reveals significant positive effects in the case of the last job. With regard to occupation, "sales and service" strengthens no-stock reliance as compared to "profession, management, and engineer" for the reference. Education has no significant effect, whereas marriage shows a strong negative effect.

In conclusion, working in small private companies and belonging to the "sales and service" stratum strengthen not only "no-stock reliance" for young people, but also the status of public-only reliance for elderly people. This consistent prescriptive structure should be a circuit by which safety-net status changes from no-stock reliance into public-only reliance with aging.

#### 4.3 Being Private-only Reliance when Young

Finally, we examine the stratification determinants of being private-only reliance in the younger age group. Again, in Table 4, we conduct binominal logistic regression analysis by limiting the sample to those who have stock reliance, and by fixing the dependent variable as dichotomous, with (1) indicating private-only reliance and (0) indicating other.

The noticeable positive effects on private-only reliance are those of education and "profession, management, and engineer" for the last job (the latter is inversely indicated by the negative effect of "manual and farmer"). Work conditions do not have significant effects in this case. Instead, being single and a woman strengthens private-only reliance.

In conclusion, belonging to the stratum of "profession, management, and engineer" strengthens not only private-only reliance for young people, but also double-stock reliance for elderly people. This consistent prescriptive structure should be a circuit by which safety-net status changes from private-only reliance into double-stock reliance with aging.

On the other hand, the overall comparison of these prescriptive structures draws our attention to differences, specifically with regard to education and sex. Some additional evidence also suggests that the transformation of safety-net status in this case is rather intermittent. SSM 2005 includes a question about ca-

Table 4 Logistic Regression of 'Private Only' (=1) / 'Public Only' or 'Double Stock' (=0): Japan, Younger Sample

	First Job	Last Job
	Exp (B)	Exp (B)
Sex (male=1)	0.64 **	0.64 **
Marriage status (married=1)	0.62 **	0.63 **
Education (over college=1)	1.86 ***	1.96 ***
Workplace size (over 500 or public service=1)	1.00	0.79
Employment status (non-regular=1)	1.08	1.23
Employment status (self employed=1)	---	1.47
ISCO4 (ref.=profession, management, engineer)		*
Clerical	0.85	0.63 *
Sales, Service	1.07	0.54 *
Manual, Farmer	0.59	0.51 **
Constant	1.40	1.69
-2 Log Likelihood	643.27	641.26
Cox & Snell R <sup>2</sup>	0.07	0.08
N	489	493

reer aspiration, wherein the respondents are asked to choose whether “working for a company” or “being self-employed” was their aspiration when they started their first job. Choosing self-employed in this question or indicating that they had the experience of developing their own business (in regard to the first or current job) suggests that the respondent has an enterprising spirit. This new variable, when incorporated into the logistic regression models, reveals a strong effect but only on private-only reliance for young people. In other words, the spiritual background of double-stock reliance is qualitatively different from this kind of high ambition. At the very least, we should notice that there should be several routes of transforming from private-only reliance into double-stock reliance.

## 5 Stratification Determinants of Safety-net Status: South Korea

### 5.1 Being No-stock Reliance when Young and when Aged

For Korea, the first analysis is to capture what stratification attributes influence people to be no-stock reliance and to compare the prescriptive structures between age groups. Table 5 represents the results of the binominal logistic regression analysis by fixing the dependent variable as dichotomous, wherein no-stock reliance is (1) and other (0). The upper is for the elderly and the

lower is for younger people.

The two age groups share common prescriptive structures in regard to occupational stratification and work conditions. The most apparent and consistent feature is that “manual and farmer” (as the effect of the first job) strengthens no-stock reliance. On the other hand, “clerical” reveals a weak negative effect in the older age group, but it disappears in the younger age group. For this reason, the effects held by “profession, management, and engineer” that help them avoid becoming no stock are weakened in younger generations. The positive effects of “employment status” as non-regular or self-employed are relatively consistent among the age groups as well. In terms of other factors, the features that are particular to younger people are the positive effects of being male and not married. At present, however, it is not clear whether or not these effects will remain after they grow older.

In conclusion, belonging to the “manual and farmer” stratum and being non-regular or self-employed workers strengthens no-stock reliance for both age groups. This consistent prescriptive structure should be a circuit by which young people fall into low-income no-stock reliance situations with aging.

## 5.2 Being Double-stock Reliance when Young

When discussing the analytical framework for Korea, we noticed the possibility that younger people's no-stock reliance will not smoothly change into double-stock reliance in the future. The results in section 5.1 suggest a mechanism that influences young people to continue to be no-stock reliance with aging. In contrast to Japan, whether or not young Korean people start out with the thickest safety-net status, that is, double-stock reliance, may have great significance for their retirement living. We have suggested that this aspect,

more than others, accounts for the consistent superior position of double-stock reliance. In order to explore the factors that form this type of fork, while focusing on younger Korean samples, we conduct binominal logistic regression analysis by fixing the dependent variable as dichotomous, wherein double-stock reliance is (1) and other is (0).

The results are displayed in Table 7. Overall, the fitness of the models is not good and no significant effects appear with regard to occupational stratification. However, the effects of employment status are note-

Table 5 Logistic Regression of 'No Stock' (=1) / Other (=0) : Korea

Elderly Sample	First Job	Last Job
	Exp (B)	Exp (B)
Sex (male=1)	0.82	0.79
Marriage status (married=1)	1.10	1.17
Education (over college=1)	1.00	0.72
Workplace size (over 500 or public service=1)	0.75	0.68
Employment status (non-regular=1)	1.28	1.50 *
Employment status (self employed=1)	1.37 *	1.36 *
ISCO4 (ref.=profession, management, engineer)	**	**
Clerical	1.01	0.50 *
Sales, Service	1.13	0.65
Manual, Farmer	1.80 **	1.03
Constant	0.69	1.07
-2 Log Likelihood	1150.16	1166.20
Cox & Snell R <sup>2</sup>	0.04	0.04
N	857	870

Younger Sample	First Job	Last Job
	Exp (B)	Exp (B)
Sex (male=1)	1.34 *	1.37 *
Marriage status (married=1)	0.65 **	0.68 **
Education (over college=1)	0.83	0.79
Workplace size (over 500 or public service=1)	0.95	0.82
Employment status (non-regular=1)	0.92	1.43 *
Employment status (self employed=1)	1.77 **	1.22
ISCO4 (ref.=profession, management, engineer)	*	
Clerical	1.22	1.01
Sales, Service	1.49	1.04
Manual, Farmer	1.76 **	1.37
Constant	0.56	0.64
		1.37
-2 Log Likelihood	1197.19	1206.53
Cox & Snell R <sup>2</sup>	0.04	0.03
N	942	945

Table 7 Logistic Regression of 'Double Stock' (=1) / Other (=0) : Korea, Younger Sample

<b>Elderly Sample</b>	First Job	Last Job
	Exp (B)	Exp (B)
Sex (male=1)	0.74 *	0.75
Marriage status (married=1)	0.91	0.97
Education (over college=1)	0.88	0.94
Workplace size (over 500 or public service=1)	1.18	1.19
Employment status (non-regular=1)	0.51 ***	0.61 **
Employment status (self employed=1)	0.70	0.56 **
ISCO4 (ref.=profession, management, engineer)		
Clerical	0.82	0.92
Sales, Service	0.71	1.14
Manual, Farmer	0.84	0.92
Constant	0.57 **	0.48 ***
-2 Log Likelihood	1063.67	1067.16
Cox & Snell R <sup>2</sup>	0.02	0.02
N	942	945

worthy. Being non-regular workers reveals strong negative effects in both the case of the first job and the last job. Moreover, being self-employed has similar effects in the case of the last job. Inversely, being employed, specifically as regular workers, strengthens double-stock reliance among young people. Along these conditions of employment status, a type of gap formation might have already begun.

## 6 Conclusion

In this paper, we have introduced the concept of safety-net status. We paid special attention to the patterns characteristic for people of specific age groups and we considered the possibility of the transformation of these patterns with aging. In effect, we have analyzed the prescriptive structure of the specific safety-net status within specific age groups, and compared structures to discover similarities that might suggest the existence of circuits by which the abovementioned transformation could occur. With the expectation that we could clarify the reality of this type of circuit within the national context of social institutions, we have also conducted a comparison between Japan and South Korea. In conclusion, principal prescriptive structures that suggest the transformation circuits are summarized in Figure 6-A and B.

Of course, this figure does not simply indicate the transformation flow from the left side to the right side.

At the very least, we have to pay attention to the influences of work place change and intra-generational occupational mobility. Nevertheless, as our analysis focused on both the first job and the last job, we could extract those prescriptive structures that are relatively consistent beyond generations.

Supposing such a flow, the ideal goal should be double-stock reliance, because this status implies not only a thick safety net, but is also accompanied by relatively good income and family support conditions. In a sense, it is ideal because it is well balanced. We can say that Japan and Korea share this ideal, although we expect there to be a considerable gap in the achievement possibility at the present time. On the other hand, the two countries share a kind of fragility that no-stock reliance and public-only reliance imply. However, as suggested in Figure 6, the fork formation that channels the flow seems quite different for Japan and Korea. An important task for the purpose of international comparison is to distinguish temporal differences from substantial ones. This task is beyond the scope of this paper; however, Figure 6 works as a foothold for developing comparative stratification research from the viewpoint of the institutional conditions of the social safety net.

Theoretically, safety-net status could provide a fruitful avenue of research in reconsidering the inter-generational relations of social stratification, in other words, the relationship between inequality and time.

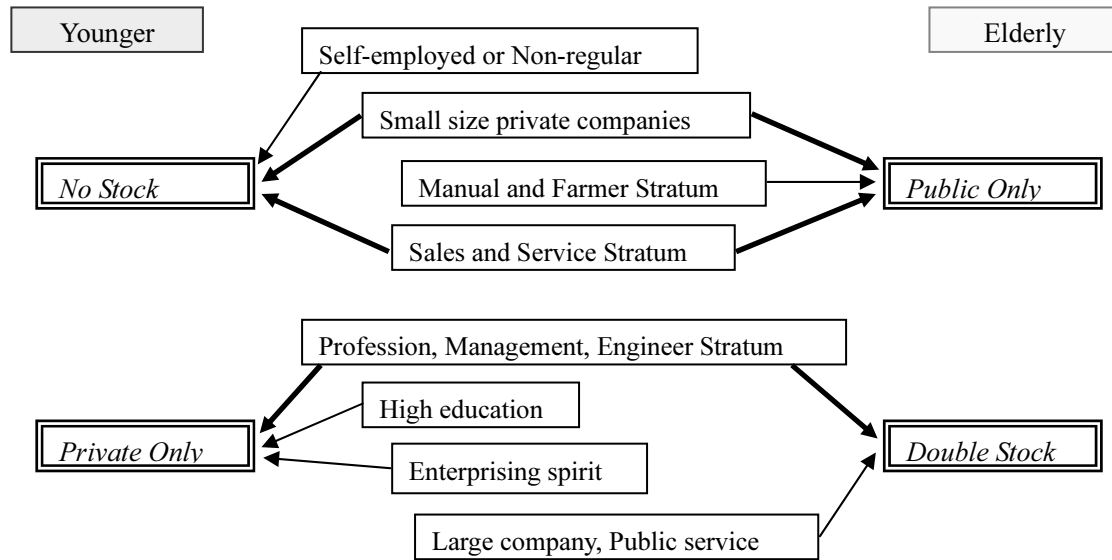


Figure 6-A Principal Prescriptive Structures of Safety-net Status in Japan

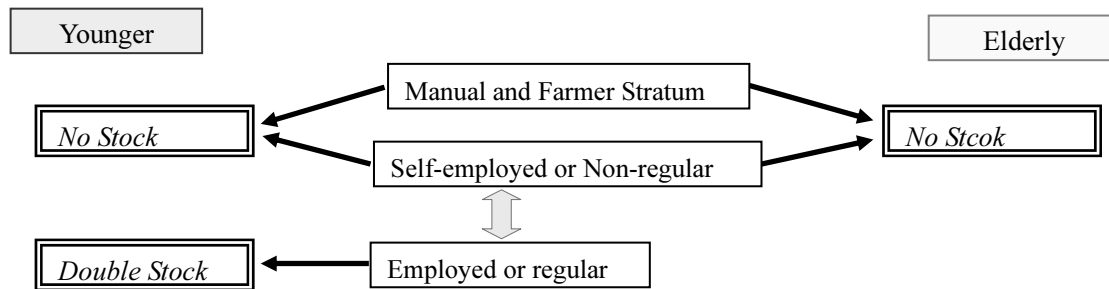


Figure 6-B Principal Prescriptive Structures of Safety-net Status in South Korea

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#### Notes

1) This analytical device might have a more clear significance when we explain people's opinion about social stratification and inequality. The main question should be how by conditioning each other, stratification status and safety-net status determine the opinion. Theoretically, this question reflects the hy-

pothesis that people's recognitions and evaluations of inequality are determined not only by resource distribution, but also by risk distribution. Previous studies on stratification consciousness have not paid attention to this viewpoint.

- 2) For a discussion of the changing welfare state in Japan, Fujimura (1999) and Takegawa (2007) propose important recognition and discussion frameworks.
- 3) For more details on the problems associated with the Korean welfare state, see Kim (2006) and Kim (2008).
- 4) The list of income includes "income earned by you or your spouse while continuing to work past retirement age" and "financial support from children or relatives." The former is excluded from the definition of safety-net status because it is not stock. The latter is stock of social capital but is excluded because it is different from the institutionalized social safety net. However, we utilize it soon later to see the functioning of family within the safety-net context.

- 5) The category point ranges from (1) for “do not rely on at all” to (4) for “rely on heavily.” “Never thought about it” and “DK” are treated to have point (1) by assuming that the meanings are very close to “do not rely on at all.”
  - 6) We expect that public-only reliance and no-stock reliance in older strata include more women who are unemployed. For limited samples older than 60 years, among 103 respondents whose type is no-stock reliance, 23.3% of the women are unemployed and the percentage is more than 13.6 for men. However, among 393 respondents whose type is public-only reliance, the proportion for women is 27.2%—almost as high as that for men (29.0%) . Another notable fact is that even double-stock reliance (204 respondents) includes a high proportion of unemployed women (40.2%) , which is also much higher than the proportion of men (16.2%) .
- Another factor that should influence the age difference is marriage. Looking at the correlation between marriage status and safety-net status when controlling for age, as compared with singles, married respondents tend to be double-stock reliance and not to be no-stock reliance. However, marriage does not have interaction effects with age in such a way that it strengthens the tendency to be double-stock reliance only for respondents of older age.
- 7) Considering the influence of a few extraordinary cases, we excluded samples whose income is more than 21 million yen from the average calculation of both personal and household incomes.
  - 8) We excluded the unemployed and students because the effects of stratification are our focus of analysis. In fact, the main reason we chose the last job instead of the current job is that the latter included a large amount of missing cases.

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