A Study on Impoverishment and Poverty Reduction Strategies of Elderly Women in Korea

Yun-Jeong Kim
Department of Health, Counselling and Welfare, Hanseo University, 46 Hanseo 1-ro,
Haemi-Myun, Seosan-si, 31962 Chungcheognam-do, Republic of Korea,

Abstract: The purpose of this study is to suggest poverty trends and poverty escape plans for elderly women using the data of Korean Welfare Panel Data. Main results were first, the poverty of the elderly women was found to be more severe and persistent than the other groups. Second, the results of this study showed that the satisfaction of family relations, the number of household members and the number of family members in economic activities positively influenced on the escape from poverty of Korean elderly women.

Key words: Poverty trends, impoverishment, poverty reduction strategies, elderly women, houshold, economic activities

INTRODUCTION

While the aging of the population accelerates, the most notable feature is the increase of the elderly women. Feminization of old age does not simply mean that the number of elderly women is bigger than that of male elderly. The elderly women are faced to the difficulty that they have less chance to receive a care from their spouses than the elderly men do and have higher probability to suffer from economic difficulties and face poverty. As Burkhauser and Smeeding (1994) insisted, 8.9% of elderly men and 15.7% of elderly women were found to be poor and the risk of poverty among elderly women is more serious than any other group.

More specifically, 4.2% of males and 7.3% of females out of the elderly over 65 years old are recipients of the national basic livelihood security which shows that the elderly women have quite higher receipt rate of such benefit. Choi and Ryu (2003) found that the poverty rate of the elderly women is higher than that of the elderly men by 5-6% and Hong (2005) said 33.6% of the elderly men is in poverty while 43.3% of the elderly women is in poverty. Though, the deviation is significant according to the research results it is clear that the risk of poverty of the elderly women is high. This phenomenon is no exception to American society. According to the 2009 US census data, 6.6% of males and 10.7% of females among the elderly over 65 years old are in poverty, showing that the poverty rate of females is about 1.5 times higher than that of males (Anonymous, 2010). As a result it can be seen that the elderly women have relatively higher poverty rate as well as the gender gap that they are suffering from both "ageism" and "gender" discrimination. Therefore, this study focuses on the poverty of the elderly women.

The poverty of the elderly women is considerably long-term and chronic and shows that it is difficult to escape from poverty. There are arguments that the poverty of the elderly women is an extension of chronic poverty before old age associated with the economic status before old age (Choudhury and Leonesio, 1997). Most of poor women were also economically poor even before old age and this poverty is linked to old age and has a characteristic of chronic and long-term poverty.

Likewise, the poverty of the elderly women is characterized by the chronic gender discrimination over the life. Women are discriminated from the time they are born. In the period of growth, the elderly women who lived before the proliferation of public education were not able to have a benefit to have higher education due to the discrimination in education opportunities, so, their the education level is low and even if they work, they are likely to have engaged in unpaid family works informal or intermittent jobs (Kim, 2015). In addition, they have experienced career discontinuity due to marital problems such as household labor, childbirth and child care. Even if they are reemployed, they often participate in intermittent wage work or part-time work in accordance with the family life cycle. In addition, women were discriminated in terms of job opportunities and promotion and received lower wages than men did in the same work. The characteristics of these women's employment are also detrimental to pension supply in old age which leads to poverty in old age when labor power is lost (Nam, 1992). In this regard (Kang, 2009), classified the types of poverty into the inexperienced poverty, temporary poverty, repetitive poverty and continuous poverty where the continuous poverty of women is about 40% while repetitive poverty of men is about 23% and temporary

poverty of men is only 9%. Finally, it can be seen that the poverty of the elderly women is chronic and long-term that they are very difficult to escape from poverty. Therefore, this study aims to look for ways to reduce the poverty of the elderly women by comparing the elderly women who escaped from poverty (The poverty discontinue group) and the elderly women who are still staying in poverty group (The poverty continue group) by analyzing what variables made the elderly women escape from poverty.

For this, the researcher analyzed the prior studies on poverty (Dodge, 1995; Hutton and Whiteford, 1992; Smeeding *et al.*, 1999; Smeeding and Weinberg, 2001). These studies are largely divided into 2 trends, one focusing on the structural aspects of society and analyzing the effect of social insurance and public assistance on poverty and income of the elderly. As a result, it was found that the elderly women receive low social security benefit and highly rely on the public assistance. Another take note the individual aspect focusing on the variables related to the poverty problem of the elderly women. In this study, the researcher looked for the poverty-related variables by focusing on individual variables to find ways to reduce poverty of the elderly women at the microscopic level rather than the macroscopic and structural level. As a result, depression (Ko and Lee, 2015; Kang and Kim, 2009), health (Park *et al.*, 2010), family relationships (Smeeding *et al.*, 1999; Kim, 2008; Bound *et al.*, 1991) and social participation (Lee, 2017) were found to be related.

This study aims to propose the ways for the elderly women to be escaped from poverty by using the data of Korean Welfare Panel study (Anonymous, 2014) to identify the poverty of the elderly women and to understand the variables related to the impoverishment of the elderly women. First is to understand the trend of impoverishment of the elderly women. Second is to understand the poverty status shift decision variables of the elderly women to deduct a way to reduce poverty of the elderly women.

MATERIALS AND METHODS

Analysis data: This study used the data of the 2nd, 5th, 8th and 10th year of Korean Welfare Panel Study. In order to analyze the poverty of the elderly women, the data of 2nd, 5th, 8th and 10th year were used while the data of the elderly women who answered for the 2nd and 10th year out of the elderly women over 65 years old were used in order to analyze the poverty status shift of the elderly women. The data of the Korean Welfare Panel study is a cross-sectional survey of the whole country including

Table 1: Variables

Variables	Measurement
Dependent	
Poverty	In this study, 60% of median income, commonly used in previous studies was defined as poverty
Independent	
Depression	Center for epidemiologic studies-uses the CES D-10, a shortening measure of depression scale. The higher the score, the higher the depressed tendency. Cronbach's alpha = 0.928
Family relationship	Marital status, number of household members, satisfaction of family relationship, family conflict
Health condition	Subjective health status, average drinking per year
Social participation	Number of economically active family members, social participation satisfaction

Jeju Island. It is based on the population and housing survey and the national survey of household survey and collects total 7,000 households by each 3,500 households of stratified sampling of low-income households and general households. The data of Korean Welfare Panel Study is a survey which secured national representativeness including various household types such as rural areas in Eup and Myun (Anonymous, 2016).

Measurement: The analysis variables used in this study are shown in Table 1.

Analysis method: Frequency analysis and logistic regression analysis were applied using SPSS WIN 21.0.

RESULTS AND DISCUSSION

Trend of impoverishment of the elderly: The feminization of poverty (poverty rate by gender), aging of poverty (poverty rate of adult and elderly group) and impoverishment of the elderly women (gender×generation) were analyzed in order to understand the trend of impoverishment of the elderly women using the data of the 2nd, 5th, 8th and 10th year of the Korean Welfare Panel study and frequency analysis (Table 2-4). The feminization of poverty (poverty rate by gender), aging of poverty (poverty rate of adult and elderly group) and impoverishment of the elderly women (gender×generation) were analyzed in order to understand the trend of impoverishment of the elderly women using the data of the 2nd, 5th, 8th and 10th year of the Korean Welfare Panel Study and frequency analysis (Table 2-4). As a result, the poverty tendency of the elderly women is remarkable. First, Table 2 shows the feminization of poverty. In the 2nd, 5th, 8th and 10th year, the poverty rate of women is higher while the poverty rate of men is slightly decreased in the 10th year comparing to the second year but the poverty of women repeats increase and decrease. Table 3 shows the aging of poverty. While

Table 2: Feminization of poverty

2nd (2007 year)		5th (2010 year)		8th (2013 year)		10th (2015 year)	
Male	Female	Male	Female	Male	Female	Male	Female
13.4	18.3	12.3	17.8	11.8	18.6	11.0	18.2

Table 3: Aging of poverty

2nd (2007 year)		5th (2010 year)		8th (2013 year)		10th (2015 year)	
Adult	Elderly	Adult	Elderly	Adult	Elderly	Adult	Elderly
15.1	19.1	12.9	20.0	10.9	22.7	9.3	23.4

Table 4: Impoverishment of the elderly women

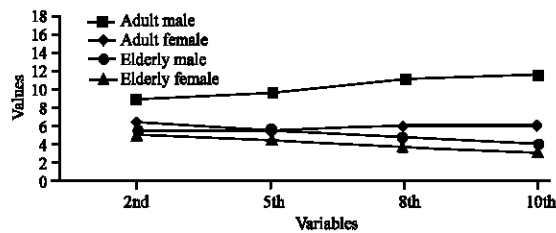| 2nd (2007 year)				5th (2010 year)				8th (2013 year)				10th (2015 year)			
Adult male	Adult female	Elderly male	Elderly female	Adult male	Adult female	Elderly male	Elderly female	Adult male	Adult female	Elderly male	Elderly female	Adult male	Adult female	Elderly male	Elderly female
6.7	8.4	7.1	12.0	5.8	7.1	7.2	12.7	4.7	6.2	8.0	14.7	3.9	5.3	8.0	15.4

Fig. 1: Impoverishment of the elderly women

the poverty rate of the adult group (Age group 20-64) is decreasing year by year, the poverty of the elderly is increasing year by year showing that aging of poverty is remarkable. Comparing to the second year, the poverty rate of the adult group decreased by about 5.8% point in the 10th year but the poverty rate of the elderly increased by 4.3% point which was in contrast to the poverty rate of the adult group. Finally, Table 4 and Fig. 1 compare the poverty rates among four groups: adult men, adult women, elderly men and elderly women. The poverty rate of the elderly women is higher than that of other three groups and even shows an increasing tendency each year confirming that the poverty of the elderly women is considerably persistent and serious.

Determinants of poverty status shift of the elderly women; comparison between escape from poverty and persistent poverty: In order to identify when the elderly women could escape from poverty while the poverty of the elderly women is chronic, a comparison analysis was carried out among the poverty escape group (the poverty group in the 2nd year, the non-poverty group in the 10th year) and the poverty persistent group (the groups belonging to the poverty group both in the 2nd and 10th year). For this, binary

logistic regression was used. The explanatory power of the model was 26.5% and the accuracy of categorization was high to be 89.2% (Table 5).

In determining the shift of poverty status, the family relationship satisfaction and the number of economic activity family in the 2nd year, the marital status, the number of households and the number of economic activity family in the 10th year had a significant effect. The higher the satisfaction level of family relations, the lower the number of economic activity families in the 2nd year, the higher the probability of escape from poverty in the 10th year. In case they had no spouses in the 10th year, the more household members and the more economic activity family members, the bigger probability to escape from poverty was. Specifically, the probability of escaping from poverty increased by 1.399 times when the family satisfaction level increased by one point in the second year and the probability of remaining in the poverty group increased by 1.524 times as the family members increased. In the 10th year, the likelihood of remaining in poverty group increased by 2.688 times while the likelihood of escaping from poverty increased by 1.736 times and 2.218 times, respectively whenever the number of household members and family members were increased by 1 person. Among total 18 variables, the predictive power of number of economic activity family member was highest in the 10th year.

The purpose of this study is to suggest poverty trends and poverty escape plans for elderly women using the data of Korean Welfare Panel Data. This study may propose as follows discussing based on the main results. First, the poverty of the elderly women was found to be more severe and persistent than the other groups. The theories explaining the poverty tendency of the elderly women include the discussion of leveling and dual risk. According to the discussion of leveling, the loss of resources experienced in old age is larger in men than in women, so, the inequality between men and women are

Table 5: Determinants of poverty status shift of the elderly women

Determinants		1 = Escape from poverty, 0 = Persistent poverty		
		B	Wals	Exp (B)
	Depression	-0.108	0.752	0.897
Second				
Family relationship	Marital status (1 = with spouse)	-0.639	2.295	0.528
	Number of household members	0.046	0.079	1.047
	Satisfaction of family relationship	**0.336**	**9.906****	**1.399**
	Family conflict	0.037	0.055	1.037
Health condition	Subjective health status	-0.062	0.210	0.940
	average drinking per year	-0.096	1.082	0.908
Social participation	Number of economically active family members	**-0.421**	**4.209***	**0.656**
	social participation satisfaction	0.057	0.220	1.059
	Depression	0.309	0.953	1.363
Tenth				
Family relationship	Marital status (1 = with spouse)	**-0.988**	**5.831***	**0.372**
	Number of household members	**0.551**	**12.209****	**1.736**
	Satisfaction of family relationship	0.261	2.954	1.298
	Family conflict	0.045	0.037	1.046
Health condition	Subjective health status	0.176	1.374	1.193
	average drinking per year	-0.091	0.758	0.913
Social participation	Number of economically active family members	**0.797**	**23.125*****	**2.218**
	social participation satisfaction	0.314		

*p<0.05, **p<0.01, ***p<0.001; Constant, -5.883, 3.073, 1.369; χ^2, 151.451***, 17.964, 0.003; Nagelkerk R , 0.265; The accuracy of categorization, 89.2%

reduced in old age. In other words, the inequality between men and women is alleviated as the resources available for men decreases and the elderly women receive public programs and social security benefits (Pampel, 1998). On the other hand, according to the dual risk discussion, the loss of resources experienced in old age appears to be worse for women than for men. In other words, women began to accumulate disadvantages due to lack of labor experience, low wages and low pension before the age of old and are facing difficulties due to longer life span, more frequent and chronic illness problems after old age (Seok and Lim, 2007; Holden and Kuo, 1996). The results of this study seem to support the dual risk discussion.

In particular, the results of this study reveal that the poverty of the elderly women is a long-term phenomenon which can be explained by the "Cumulative Disadvantage" theory. The cumulative disadvantage theory explains the poverty of old age as a result of unequal distribution of opportunities and resources in the life cycle. Since, the elderly women experience cumulative disadvantages related to income due to discrimination in education, labor market and care work, the risk of poverty in old age is very high (Choi, 2005). Therefore, in order to secure the safety net of Korean society, social effort is required for the poverty problem of the elderly women and the second purpose of this study is to find such variables.

The results of this study showed that the satisfaction of family relations, the number of household members and

the number of family members in economic activities positively influenced on the escape from poverty of Korean elderly women. The number of economically active families in the 10th year was the most decisive variable as claimed by Lee and Kim (2017). Therefore, it is necessary to consider more the elderly women in creating jobs for their families. Creating jobs for economic activities to get out of poverty ultimately can lead to not only an increase in the income of a family but also a decrease in welfare costs and consequently, a decrease in social conflict costs. Therefore, for the elderly women who can work it is necessary to develop suitable jobs for the elderly women and the government needs to revitalize the jobs of the elderly women by fostering and supporting small and medium enterprises that employ the elderly women It is necessary to strengthen the income of the elderly as well as alleviate the burden of health insurance premiums and to provide support for work and tax benefits for the family members of the elderly women.

However, the depression of the elderly women was not related to the shift of poverty status. Prior researchers (Lee, 2017; Kim *et al.*, 2015; Eaton *et al.*, 2001; Jayakody and Stauffer, 2000) found that the longer the depression is the more likely to be poor and in the case of the welfare recipient with mental health problems such as depression, the employment acquisition and retention rate was low but the unemployment probability was high, the period of welfare dependency is long and shows a pattern of repetitive welfare supply and demand. If so why does

depression not affect women's poverty status shifts? It is because the subjects of this study were all elderly women. Unlike the prior studies where both the elderly me and women are included, there is a possibility that the influence of depression is not significant because the elderly women tend to be more depressed than the elderly men.

In addition, marital status of the 10th year that is if there is a spouse, the probability to belong to the poverty persistent group was even higher and was found to be related to the escape from poverty as the number of family members was greater. The researcher would like to explain these 2 variables in an integrated way. First, if there is a spouse it is likely to belong to the group of persistent poverty. This is contrary to the claim that the poverty rate of the elderly living alone is higher (Bound *et al.*, 1991). Rather it is in the same context of Hong's claim that the poverty rate does not increase after the death of spouse because the incomes associated with death of the spouse such as survivor's pensions are small due to immaturity of the public pension in Korea. In particular, the poverty of the elderly can be alleviated to some extent by the benefits of the public assistance programs such as the survivor's pension. However, these income sources may alleviate the poverty of the elderly women to a certain degree but can not completely overcome the economic difficulties due to the limited economic activities and income of the majority of women before the age of old (Burkhauser *et al.*, 1994). On the other hand, considering the current situation in Korea, if there is a spouse it is likely to belong to a single elderly household. In other words, considering the claim of Lee (2017) that the status of the elderly woman without a spouse is shifted from the spouse of the householder to the householder, the elderly woman without a spouse is more likely to increase the number of households through joining together with adult child and this is consistent with the claim that the single elderly household has a higher poverty rate than other groups (Lee and Kim, 2014).

SUGGESTION

Finally, it is suggested that the poverty problem of the elderly women can be alleviated when the government's economic support for the single elderly household is closer.

ACKNOWLEDGEMENT

REFERENCES

Anonymous, 2010. Poverty among women and families, 2000-2009: Great recession brings highest rate in 15 years. National Women's Law Center, Washington, USA. https://nwlc.org/resources/poverty-among-women-and-families-2000-2009-great-recession-brings-highest-rate-15-years/

Anonymous, 2014. Korea center for disease control and prevention, Korea health Statistics 2013: Korea national health and nutrition examination survey (KNHANES VI-1). Ministry of Health and Welfare, Sejong, South Korea.

Anonymous, 2016. Elderly person statistics 2016. Statistics Korea, Korea.

Bound, J., G.J. Duncan, D.S. Laren and L. Oleinick, 1991. Poverty dynamics in widowhood. J. Gerontology, 46: S115-S124.

Burkhauser, R.V. and T.M. Smeeding, 1994. Social security reform: A budget neutral approach to reducing older women's disproportional risk of poverty. Electron. J., 1: 1-23.

Burkhauser, R.V., G.J. Duncan and R. Hauser, 1994. Sharing prosperity across the age distribution: A comparison of the United States and Germany in the 1980s. Gerontologist, 34: 150-160.

Choi, H.K., 2005. [An analysis on poor elderly womens lives and characteristics (In Korean)]. Welfare Elderly, 27: 147-174.

Choi, H.S. and Y.K. Ryu, 2003. [A study on the levels, trends and composition of the old-age poverty in Korea (In Korean)]. J. Korea Gerontological Soc., 23: 143-160.

Choudhury, S. and M.V. Leonesio, 1997. Life-cycle aspects of poverty among older women. Soc. Sec. Bull., Vol. 60,

Dodge, H.H., 1995. Movements out of poverty among elderly widows. J. Gerontology Ser. B. Psychol. Sci. Social Sci., 50: S240-S249.

Eaton, W.W., C. Muntaner, G. Bovasso and C. Smith, 2001. [Socioeconomic status and depressive syndrome: The role of inter-and intra-generational mobility, government assistance and work environment (In Korean)]. J. Health Social Behave., 42: 277-294.

Holden, K.C. and H.H.D. Kuo, 1996. Complex marital histories and economic well-being: The continuing legacy of divorce and widowhood as the HRS cohort approaches retirement. Gerontologist, 36: 383-390.

Hong, B.E., 2005. [Factors influencing the economic status of the elderly in Korea (In Korean)]. Korean J. Social Welfare, 57: 275-290.

Hutton, S. and P. Whiteford, 1992. Women and social security in retirement: A comparative analysis. Master Thesis, York University, Toronto, Canada.

Jayakody, R. and D. Stauffer, 2000. Mental health problems among single mothers: Implications for work and welfare reform. J. Social Issues, 56: 617-634.

Kang, H.J. and Y.J. Kim, 2009. Life satisfaction of older women focused on household types and poverty levels. Korean J. Community Living Sci., 20: 71-80.

Kang, S.W., 2009. [Direction of poverty policy considering sustainability and repeatability of poverty (In Korean)]. J. Korean Econ. Dev., 15: 263-286.

Kim, M.K., 2015. Subjective happiness level by individual characteristics of Korean household type health. Welfare Issue Focus, 274: 1-8.

Kim, T.W., J.M. Lee and J.W. Jung, 2015. [A study of elderly poverty and depression: Focusing on the multidimensional concept of poverty (In Korean)]. Health Soc. Welfare Rev., 35: 71-102.

Kim, Y.J., 2008. [A study on poverty characteristics of rural elderly households (In Korean)]. Korean J. Soc. Welfare, 60: 31-53.

Ko, J.E. and S.H. Lee, 2015. What influence does poverty have upon the factors affecting depressive symptoms among older women?. Korean J. Gerontological Social Welfare, 68: 251-271.

Lee, J.M. and T.W. Kim, 2014. [Policy strategies for reducing income and asset poverty among Korean old-age households (In Korean)]. Health Welfare Forum, 212: 64-73.

Lee, S.J. and Y.J. Kim, 2017. [Determinants of Poverty status movement of the poor elderly in Chungcheongnam Province (In Korean)]. Asia Pac. J. Multimedia Serv. Convergent Art Humanities Sociology, 7: 603-612.

Lee, S.J., 2017. A study on the poverty status movement of the elderly. Ph.D Thesis, Hanseo Universiy, Seosan, South Korea.

Nam, J.L., 1992. The social security system and poverty among old women. Women's Issues Res., 20: 61-81.

Pampel, F.C., 1998. Aging, Social Inequality and Public Policy. Pine Forge Press, Thousand Oaks, California, Pages: 175.

Park, M.J., K.H. Yeo and B.H. Park, 2010. Influential factors relates to health promotion behaviors among community dwelling elderly with low economic Status. Korean J. Gerontological Soc. Welfare, 48: 205-227.

Seok, J.E. and J.G. Lim, 2007. [Income gap and differences of income sources between older women and men (In Korean)]. J. Korean Gerontological Soc., 27: 1-22.

Smeeding, T.M. and D.H. Weinberg, 2001. Toward a uniform definition of household income. Rev. Income Wealth, 47: 1-24.

Smeeding, T.M., C.L. Estes and L. Glasse, 1999. Social security reform and older women: Improving the system. Master Thesis, Center for Policy Research, Maxwell School of Citizenship and Public Affairs, Syracuse University, Syracuse, New York, USA.