

**Conference draft. Please do not cite or quote. Comments are welcome.**

**Basic Livelihood Security Systems in China and South Korea:**

**Comparisons and Implications**

Qin Gao  
Fordham University, USA  
aqigao@fordham.edu

Jiyoung Yoo  
Namseoul University, South Korea  
jiyoungyoo@nsu.ac.kr

Sook-Mee Yang  
Namseoul University, South Korea  
smyang@nsu.ac.kr

Fuhua Zhai  
New York University, USA  
fuhua.zhai@nyu.edu

Paper prepared for the conference on Asian Social Protection in Comparative Perspective,  
7-9 January 2009, National University of Singapore, Singapore.

**Abstract:**

This paper compares the establishment histories, regulations, implementations, and anti-poverty outcomes of the Basic Livelihood Security (BLS) Systems across China and South Korea and draws policy implications for future directions. We find that the two systems have many similarities, rooted in their shared social welfare philosophies and traditions. Both were established to provide a minimal level livelihood security for the poor. The BLS systems are strictly means tested with rather stigmatizing application procedures in both countries. Despite some recent expansions, both systems remain residual and have limited coverage. Overall, the anti-poverty effects of the BLS systems in both countries remain limited.

However, some key differences exist across the BLS systems in China and South Korea. First, the driving forces for the expansions of the BLS systems in the two countries are not entirely common. Among these, a major factor is the political and economic backgrounds—socialism and market economy in China versus democracy and capitalism in Korea—which have had different impacts on the developments of their respective BLS systems. Second, the regulations and administrations of BLS are made at the national level in South Korea, while they remain the responsibilities of local governments in China (with subsidies from the central government when local governments lack fiscal capacity). Third, the Korean system is supplemented by several self-support programs to provide skills training and work incentives for BLS recipients, which can serve as an example for the Chinese system.