Foreword

The high quality of human capital in Korea is one of many factors that explain remarkable economic growth and the success of the Korean economy in past decades. The literacy rate increased from about 20 percent in 1945 to almost 100 percent within two generations. The proportion of the population with tertiary education is among the highest of Organisation for Economic Co-operation and Development (OECD) countries. International achievement tests such as Program for International Student Assessment (PISA) testing have ranked Korea at the top in mathematics, reading and science.

Despite the positive outcomes, Korean education is now at a crossroads, with many questions coming into view. Can the current direction of education support sustainable economic growth in the future? Are students' skills and competencies adequately nurtured in schools and at home? Do schools acknowledge and react to the human capital required by labor markets in the twenty-first century? Is academic achievement currently affected by socioeconomic background? Is educational support fair in providing opportunities to those wishing to invest in their human capital? Korean education has long promoted social equity, mobility and cohesion, but can that role be ensured in the future?

The future path of human capital policy must be reconsidered, and upgrading the educational system will be a policy priority as Korea moves toward an inclusive society and a more innovative economy. A new direction of human capital policy requires improving the public school system, reinforcing the competitiveness of higher education, and strengthening cooperation between education and industry. It should also be designed to reduce inequality and promote socioeconomic mobility.

In the context of these issues and their policy implications, the Korea Development Institute and the East-West Center commissioned an international team of experts for a study on "A New Direction in Human Capital Policy: Trends in Advanced Countries and Implications for Korea." Their findings, presented in this book with reference to educational systems in Korea, the United States and other OECD countries, will be useful in understanding the problems and designing future policies.

On publishing this volume, I would like to thank Dr David Neumark, the Director of the Center for Economics and Public Policy and the

Chancellor's Professor of Economics at the University of California, Irvine; Dr Yong-seong Kim, Professor at the Korea University of Technology and Education; and Dr Sang-Hyop Lee, Senior Fellow of the East-West Center and Professor in the Department of Economics at the University of Hawaii at Manoa, for organizing and editing the chapters for publication. I also wish to thank the authors and reviewers who contributed to the volume.

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