

Proposal establishing on AU

Asian Manpower Market

(AIHR, Asian Institute of Human Resource)

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1-1. Unemployment of highly educated workers and lack of human resources for small and medium-sized businesses (in the aspect of labor market)

Because of high college enrollment rate, college graduates form a large part of youth unemployment.

In 2008, a college enrollment rate reached its peak as it recorded 83.8%. It seems obvious that after their graduation, from 2012, the unemployment problem will get serious. Economic structure causes a lack of highly educated workers as well. Small and medium-sized businesses are suffering from shortage of labor. According to the National Statistical Office, small and medium-sized enterprises were not able to recruit 64,738 people¹. We need to fundamentally modify a relief measure for the unemployed.²

1-2. Inflow of foreigners and opening manpower market (as a multi-cultural aspect)

There is a rapid increasing in the number of foreigners in Korea. Total number of foreigners is 1.4million, and number of foreign workers is around 7 hundred thousands, which takes up about 50% from total. Also, the number of 'Illegal Immigrants in Korea' is continuously increasing and recorded over 2 hundred thousand in 2014. This shows opposite outcome compared to Japan, while it's steadily reducing the number of illegal immigrants.³ The Korean government is not suggesting any remarkable countermeasures, resulting in unstable society and increase in Korean public's denial toward illegal immigrants.⁴

Even though Korea is trying to implement some multi-cultural policies for accommodating foreign immigrants with legal methods, however this is thought to be just copying other countries' examples rather than a reasonable measurement considering public emotions or serious concerns about future.

The problem is that even European countries and America, where the multi-cultural policies were first adapted, are found to be suffering from failures to many aspects⁵. Then despite precedents, why do we argue about the "Integration of manpower market" and can we resolve those problems that other countries are facing?

We will first introduce you about necessities of Asian manpower market integration and then talk about specific applicable measures.

3. The Need of Asian Manpower market

In 2014 the birth rate of South Korea showed 1.19 people per year, ranking the world's lowest figure. The government's several methods for increasing birth rate don not seem to be effective until now.

¹ 통계청(kosis.kr) - 중소기업의 직종별 인력부족 현황

² 오호영, 송창용(2011)의 "청년층 취업높이 결정요인과 노동시장 성과"

³ 구글. <http://www.seoul.co.kr/news/newsView.php?id=20120423012018>

⁴ 서운석, "외국인 노동자/이민자 수용 태도에 대한 인과관계 분석: 한국·중국·미국 비교를 중심으로"

⁵ google. "<http://sgsg.hankyung.com/apps.frm/news.view?nkey=13543&c1=01&c2=01>

With the rapidly aging population on going, one day South Korea has to face a situation of having no productive population in economy.

Some people might criticize that the method of drawing foreigners to increase productive population will just work as a temporary remedy. However what we have to notice here is that if we fail to increase birth rate and fail to relieve aging population, the crisis we might have to face will be bigger than ever.

Do not put all your eggs in one basket. We shouldn't put our future on one policy and take the following risks.

But it is wise enough to seek for other ways to solve current problems. Another important point is that there are a lot of benefits through the labor cooperation. Public feeling toward foreign workers is very negative in South Korea. The negative point of view is supported these reasons. The minimum wages are decreasing due to inflow of foreign workers. Foreign workers live on minimum costs and send the rest of their income to their own countries. Therefore, it is said that the influx of foreign population is not helpful for Korean economy.

However, this is a hasty and unrealistic conclusion resulted from narrow view point. In fact, most of manpower in rural economy is already a lot depending on foreign work force. And the economic effect created by foreign manpower has reached almost 10 trillion dollars per year. This shows that our situation of South Korea is already facing and also requiring foreign manpower inflow.

Then what could be practical application ways? The action plans are like following:

First, Asian manpower integration market model will be called as "Asian Institute of Human Resources (AIHR).

AIHR's primary target countries are South Korea, China and Japan. These three countries are neighboring countries, in which sharing many things geographically and culturally. However, as people call them "close, but far" countries, these three countries are in totally different situations.

Firstly, South Korea, as mentioned above, factors of low birthrate, aging population and continuous increase in high college entrance rate is accelerating the youth unemployment rate. And increasing number of people called "NEET⁶" has been one of the biggest social problems in Japan. But Chinese society is suffering from an uprising stratum called "Nong-min-gong(农民工)" resulting in the development and population gap between east and west areas, and people their selves with unstable employments and following social problems. Therefore, it is quite clear that South Korea, Japan and China, these three countries ought to recognize lacks of each other and start cooperating from their defects.

Primarily starting with those three countries above, we can first build up strong infrastructures for integrated human resources market, and then it will be possible to expand this model and entice other countries around into the bigger models. Singapore, India, Indonesia, Philippines, and Australia would be proper examples of secondary candidate countries for the expanded model.

If primary model of three leading Asian countries succeeds as AIHR model, it is obvious that active participations of other countries are assurable.

⁶ Not in Education, Employment, or Training의 줄임말로써, 1999년 영국에서 처음 사용된 용어로 이후 일본이나 한국 그 외 OECD국가에서도 날로 심각해지는 청년실업률을 보다 현실적으로 파악하고자 하는 의도에서 사용하고 있다.

5. AIHR management programs

First, AIHR mediates capital investing enterprises and human resources. For instance, South Korean and Japanese enterprises, wishing to invest in underdeveloped Western-Chinese area, will be connected to Chinese government (or city government). As a result, China is able to get national benefits by solving the west-east population gaps and can create more jobs. On the other hand, Korean and Japanese enterprises suffering from territory shortage (due to lack of national territory) and high labor costs can seek further improvements by this project.

Secondly, AIHR opens an annual joint job fair. Every country will take turns to be the job fair opening country. Starting from an annual event and will be expended into twice a year, according to the employment seasons. Even though there are many different 'foreign job fairs' in each country, but it is yet to be an international event. The human resources managers from each participating enterprise will be leading this job fair. Through the annual job fair, not only the employers can search for the right person for their companies but also the employee can have chance to negotiate their pays and benefits. Furthermore, 3D workers can also have chance to prevent many disadvantages, tyranny committed by vicious enterprises and poor work environments.

Third, AIHR plans to expand chances of overseas internships between the member nations. This is not only increasing the quantity of internship workforces, but suggesting quality improvements with offering better working conditions and treatments. The idea was implemented from the process of college exchange students. After examining the enterprises' demand for internship workforce, certain proportion of exchanged workforces will be encouraged, so that many kinds of unfair treatments and poor living conditions can be prevented to certain degrees.

Forth, AIHR will cooperate with each nation's language educational institutes for language educations of foreign workers. One of the biggest difficulties that foreign workers face is lack of communication ability. To solve this problem, educational institutes supported by each country (China- Gongzi-xueyuan, Japan- Japanese language school, South Korea-Sejong school, Korean cultural institute etc.) will be cooperating with AIHR and offer language and cultural education chances to overseas workers. And this model can be expanded for high school or middle school students and the range of educations can also be expanded from language teaching to cultural exchange bringing ripple effects.

Lastly, AIHR will operate a united recruiting website. This website will provide English (standard) and different languages of member nations (Korean, Chinese, Japanese and so on) services for increasing accessibility of applicants. Also, a standardized form of resume will be provided to reduce inconveniences of writing different types of resume for each enterprise. The website will work as an international recruit platform in labor integration model.

The primary model of Korean-Chinese-Japanese model is very crucial for future development. Whether or not this primary model succeed will determine the range and quality of other participants of other nations, which is the fundamental aim of AIHR

6. Conclusion and Prospect

Concluding the proposal, we want to emphasize "the aspects that AIHR can contribute to Asian integration". Asia, which went through rapid development and shifted from have-not to economic giants, is under a flashy light of development but also shading many social difficulties behind the scene. These growing pains seem quite different from country to country, but after all it is all about "Human". Therefore it is thought that those problems are to be solved by efficiently allocating human resources and will consequently lead to the big agreement among Asian nations. A little effort for understanding each country's shortage and interest will help one step closer to the integrated Asian Economic Community.

Moreover, we hope AIHR will take a role of strengthening and expanding the Asian countries' leverage in global stage. And also we wish that AIHR could greatly contribute to form the Asian Union.

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