

CARE WORK AND THE ECONOMY

Advancing policy solutions with gender-aware macroeconomic models

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A GENDERED SOCIAL ACCOUNTING MATRIX FOR SOUTH KOREA

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What is a Social Accounting Matrix?

A Social Accounting Matrix (SAM) is a database that shows **flows of payments in an economy** between households, producers, the government, and the rest of the world.

Features of South Korea SAM

- The SAM captures **care and gender structures of the Korean economy** in order to make it suitable for policy simulations related to **childcare and eldercare**.
- The **types of workers** are constructed to capture labor market segmentations in terms of gender, education, and the regularity of employment.
- The **household types** are created to reflect differences in terms of need to care for children and elderly, time use, consumption, and earnings.

SAMs are valuable inputs into economic research, primarily used to describe the structure of an economy and as inputs to the databases of Computable General Equilibrium (CGE) models. This paper documents the building of a SAM for South Korea for 2014 – it is the first SAM for any country that combines coverage of the household production of unpaid care work and domestic work with a detailed treatment of care and gender. **A CGE model linked to a SAM with this treatment can analyze the economy-wide effects of decisions and policies related to care and gender.** The SAM was built in the following steps:

SAM0: A first and simple SAM was constructed using Korea's Supply and Use Tables for 2014 combined with data on government finances, taxes, and the balance of payments.

SAM1: Workers were disaggregated by gender, educational level, and the regularity of employment. Separate market sectors were created for childcare, eldercare, and service substitutes for housework.

SAM2: Households were split into 3 types: working households with and without children and retired households. Time use for childcare, eldercare, housework, and leisure was added for each type of household and worker.

SAM3: Market sectors not related to the paid care sectors were aggregated to keep the dimension of SAM smaller.

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