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The Economic Effect of Suicide on South Korea

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ABSTRACT

There are only a few articles available online which give you a comprehensive presentation of the factors involved in people committing suicide in South Korea and how these factors consequently become a hindrance in terms of the full growth potential of the economy. Various studies talk about why people in South Korea commit suicide, the rate of growth in the number of suicides and also the various dimensions of socio-economic, cultural, age stratification and other aspects leading to suicide among different categories of people but none talk about the chronological events leading to the increase in the number of people taking their own lives, the reasons behind their appalling action of deliberate killing of the self and the subsequent impact of this on the families and loved ones of those who died and also the costs it bears on the nation and its economy as a whole all in one place. The aim of this article, therefore, is to explore the sequence, rate, reasons and the ultimate effect of suicide on the South Korean economy in the last few decades with increased focus surrounding the 1997-1998 Asian financial crisis which was a major drawback for South Korea: The Land of the Morning Calm.

Keywords: *Suicide, Socio-economic Factors, Economic Crisis, South Korea.*

1. INTRODUCTION

South Korea, which was once under the Japanese colonial rule, started to camp out and stamp a mark of its authority on the world stage since its independence in 1945[1]. It had a high rate of literacy for any Asian nation back then and was well reserved with land and other resources which it harnessed very well. It was a because of an organized structure of events leading up to South Korea becoming a free market economy that helped its cause of racing against many other nations in becoming a developed nation; it first harnessed its resources, removed illiteracy and only then opened its economy to the world. This has helped South Korea become the only nation with more than 5% growth rate in the last five decades and is now the 11th largest economy in the world.

On the whole, it would seem that South Korea has done very well for itself, and no doubt it has but when one looks close enough they can find that not everything went well; the Asian financial crisis of 1997-1998[2]for instance was one that severely affected the liquidity of the economy and caused a recession. This was the period which saw a surge in the number of suicides committed by South Koreans and increased the trend of suicide ever since. Though the South Korean economy was hit very hard by this crisis, it was relatively less compared to other Asian nation and yet its suicide rates have continued to soar high making it the worst developed country in the world for suicides and the second worst overall because of which South Korea is sometimes tentatively referred to as the suicide nation of the world.

Suicide is one of the top 5 leading causes of mortality in South Korea and has been on a constant high. On average, 40 people commit suicide every day and about 80.3 people per 100,000 individuals above 65 years give away their lives which are ten times the rate of the average of OECD nations. While most other countries have shown a downward trend over the years the juxtaposition of South Korea being such a highly industrialized country and yet having such a high rate of suicide is quite a puzzling matter with analysts and social scientists pointing out several reasons why this might be happening. Anything from unemployment to loneliness, from ageism to stress and from substance abuse to inadequate medical care, all have been a cause for Koreans taking their own life at some point or the other over the last few decades[3].

With such high rates of suicide, the average life expectancy at birth has also reduced by 0.83% and with South Korea quickly becoming an aging population the high elderly rate of suicide doesn't seem good. More suicides mean that employers have fewer people working for them, fewer students making use of their full potential and a lot of investment in education, health and social life by family members going unused. Thus, we can see how suicides play a huge role in the outcome of the nation's economic performance.

2. SEQUENCE OF EVENTS

We can study the sequence of events in 2 parts, the first revolving around the 1997-1998 financial crises and the second revolving around the 2008 financial crisis.

2.1 The 1997-1998 Asian Financial Crisis

The financial crisis that shook South Korea in the late 1990's saw a sharp increase in the number of suicides in 1998. Male suicides rose more than 45% that year than the trend from previous years would suggest. One of the only few research works done on this topic by Taiwanese and UK researchers compared GDP per capita, alcohol consumption, divorce rates and unemployment with suicide rates to come to the conclusion that South Korea had a decreasing trend in the number of suicides in 1980's and early 1990's until the time of being hit by the crisis. It was not a surprise as South Korea was not the only country which saw an impact of the crisis on the people taking their own lives; almost all other countries of the region leaving Singapore saw a marked increase in the number of suicides.

2.2 The 2008 Economic Crisis

In the years leading up to the 2008 economic crisis the suicide rates in South Korea didn't seem to reduce—there was an upward constant trend. The Korean government had barely laid out an efficient policy, scheme or a plan to tackle such high rates until 2005 when the suicide rates were 24.7 per 100,000 people. The government had then set out a 5 year plan to reduce the rate to 18 per 100,000 people with initiatives such as better working conditions, flexible working hours and better mental health counselling. The plan did seem to work as the rates reduced between 2005 and 2008 but they were yet again hit with another crisis in 2008. By now suicide was a major concern for a developed nation as theirs and going by historical figures the economic crisis only meant more problems. South Korea didn't recover from the crisis for 3 years and suicide rates in 2009 touched a high of 33.8 per 100,000 people. It remained at a high of 31.7 per 100,000 people even in 2012 making it the worst among all OECD nations.

3. RATE

While suicide rates have been decreasing on an average among most developed countries, South Korea has seen increasing trends since the 1997 financial crisis. The suicide rates among men were 15.3 per 100,000 people in 1986 and 5.8 per 100,000 people among women. By 2005 there was an increase of 98% in the suicide rates among men with numbers at 30.3 per 100,000 people and 124% among women at 13 per 100,000 people. The average number of people committing suicide rose to 24.7 per 100,000 that year and to 31.7 per 100,000 in 2012. It is known that the number of people committing suicide is highest among the elderly (above 65 years of age) but in the last 3 decades, the proportional increase has been the most among the younger groups (below 45 years of age). Between the ages of 14 and 25 suicide is the leading cause of death in South Korea.

4. REASONS

There is not one reason which can be blamed for such high rates of suicides but there are various different reasons for different cohorts that can be attributed to such high rates. We look at those reasons in detail below showing how each reason is responsible for suicide among different categories of people.

4.1 Age

As we have already seen that suicide among the elderly is the most contributing factor to the country's overall suicide rate. Many believe this to be a result of the rapid industrialization of South Korea to which the elder population could not easily adapt where individualism has taken over a system of Confucianism and children are supposedly less caring of their parents in old-age in the 21st century. Unable to react positively to such changes, the elderly, more so in the rural areas, take their own lives.

Also quite astonishing is the rate among young people, aged between 14 and 25 years. Though the rate among young people is not as high as the elderly, it is still quite astounding as suicide is the main cause of death among this age group.

4.2 Media

Over the years a number of South Korean celebrities have taken their own lives as result of depression, isolation and high levels of stress. Controlled studies have shown that wide media coverage of such celebrity suicides has spiked the overall number of suicides following the coverage. The studies also showed that the method of suicide was also copied in certain instances. After the death of Lee Eun-ju in 2005, many people carried their suicide in a similar fashion of hanging. On the other hand, when the media coverage of celebrity deaths was not very widespread and focused upon there was no spike in the suicide rates following the coverage of the news. Thus, the degree of media coverage impacts the lives of people in taking drastic life measures as committing suicide or being better off not doing so.

4.3 Education

South Korea has the highest suicide rate in the world for children aged between 10 and 19 years [5] old and most of the cases are stress and anxiety related because of the rigorous education system in place. South Korea is known for its quality education but in a system which is extremely competitive where students study for hours on a stretch in an 11 month long school year spending up to 16 hours a day on school and school related activities. A lot of this is done to get into the top 3 universities of South Korea which hold a lot of pride and prestige. It becomes a matter of honour for the family to see their children be among the very few selected each year in these top universities. Though the South Korean education is ranked highly all over the world, it has come under scrutiny for its high levels of stress and anxiety leading many to conclude it as child abuse.

4.4 Mental Illness

According to the South Korean Health and Welfare Ministry, 90% [6] of the people who took their own lives in 2016 had a diagnosable psychiatric condition, be it depression or anxiety. Loneliness, the breakdown of marriages, poverty, high levels of education and professional stress, losing jobs, etc. are all causes of a person going into a depression; the depression may or may not be clinical but it is treatable. But mental illness is considered a taboo in South Korea which is why most people don't want to talk about it. The South Korean Health and Welfare Ministry estimates that only 15% of people sought any kind of treatment for their illness out of the 90% of people who committed suicide because of mental illness.

Usually, people look for self-help in such situations looking towards exercise, meditation, attending religious gatherings and in most cases, it is alcohol abuse. South Korea is the world's largest consumer of hard liquor and roughly 40% [4] of the people commit suicide while still drunk. This tells us that people prefer to spend on alcohol rather than visiting a psychiatrist for treatment even though alcohol is more destructive to the self than the loss of any kind of image in taking effective treatment. One study also showed why women chose not to take treatment stating that women feared losing custody of children if they were to divorce their husband as they would be deemed mentally unfit to take care of them.

In addition to these reasons is that of the economy; we have seen how economic events play a role in people giving up their lives. Economic events of crisis cause unemployment and instability and people who lose their wealth are unable to recover from such events taking their own life. There is a positive correlation between economic health and mental and physical health of a person.

5. EFFECT ON THE SOUTH KOREAN ECONOMY

When a person commits suicide, there is a loss of life to a loved one, to family members, to the nation and to the economy at large. With every suicide, there is one person less contributing to the growth of the economy and the development of the nation and with higher suicide rates the effect is that much more. The Health Insurance Policy Research Institute under the National Health Insurance Service gives a monetary sum of the social loss due to suicides. The analysis states that the US \$5.9118 billion is the total social loss in South Korea [5] as a result of suicides each year. The social cost due to suicide is 42.3% that of cancer. The biggest drawback for South Korea is in the accumulated losses over the years with fewer men for production in industries.

Families spend huge sums of money investing in the future of their children and loved ones in terms of education, healthcare and lifestyle which give no reward to the individual and the economy once the person has taken his/her own life. The value return on all these investments becomes nil and even negative in some cases where money is owed by a person committing suicide.

6. CONCLUSION

South Korea had only spent \$7 million on mental health in 2016, 64% of which went to hospitals and other mental institutions. In comparison, Japan, where suicide rates were as high as South Korea until better preventive measures were taken, spent nearly \$ 130 million on prevention of suicides and creating awareness.

While throwing money is not the solution, some sort of investment is required and South Korea has realized the need for immediate improvement of mental healthcare and taking better care of its citizen's physical health as well. It has mapped out plans to reduce suicide rates with better working conditions, comparatively more flexible schools hours and awareness of the need for treatment of depression. All these are measures in the right direction learning from Finland who had a similar situation in the late 20th century in dealing with suicides.

The South Korean government did see some results in 2014 [3] where the rates dropped compared to the previous year showing positive signs for an economy that is growing with each passing second.

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