EXECUTIVE SUMMARY

School Funding Equity in Korea

Risk and resource analysis of public elementary, middle and general high schools

Bruce D. Baker · University of Miami · October 2026

A school finance system exists to deliver the resources schools need to give every child an equal opportunity to achieve common, adequate outcome goals (Baker, Atchison & Levin, 2026). Because children face different obstacles to reaching those goals, equal opportunity requires differentiating resources by need. Korean law makes a related commitment: the Framework Act on Education requires the State and local governments to minimize regional gaps in educational conditions, including the supply of teachers (art. 4).

This summary applies the first step of the framework to about 9,905 public schools enrolling 4.2 million pupils. **Risk analysis** identifies which measurable characteristics of communities and schools predict lower outcomes. **Resource analysis** asks whether teachers, staff and school budgets are greater where those risks are concentrated, after accounting for school size and remoteness. All data are open data from the national school disclosure system (School Info) and national administrative sources.

Bottom line

Korea allocates teachers and school budgets by school size, not by need. High-need districts have many small rural schools, which receive generous staffing per pupil. Comparing schools of similar size and remoteness within the same office of education, schools at the 90th percentile of need have 1.01 times the classroom teachers per pupil and 1.01 times the school-account spending per pupil of schools at the 10th (middle schools). The system is close to need-neutral, while outcomes and private spending differ sharply by need.

Key findings

- **Risk is concentrated by district income.** Korea does not publish achievement by school, so risk is measured by where graduates go. In the highest-need tenth of middle schools, 21% of graduates enter vocational high schools and 0.8% selective academic high schools; in the lowest-need tenth, 9% and 8%. District income alone explains 22% of the variation.
- **Immediate university entry misleads.** General high schools in affluent districts send fewer graduates directly to university (50% against 69%) because far more retake the entrance examination.
- **Raw comparisons flatter the system.** Without adjustment, the highest-need tenth of middle schools has 14.3 classroom teachers per 100 pupils against 7.0, but average enrollment is 240 against 838.
- **Small advantages come through support staff, not teachers.** Within offices, high-need schools have 7–9% more non-teaching staff per pupil and slightly smaller classes, but no more teachers per class and slightly less experienced teachers.
- **Parent payments follow local income.** Within offices, parent-paid school revenue rises about 10% for each 10% of district income in elementary schools; government transfers do not.
- **Offices lean slightly the wrong way.** After adjusting for size and rurality, Sejong (+8%) and Seoul (+3%) have more middle-school classroom teachers per pupil than similar schools nationally; Busan (-8%) and Incheon (-6%) fewer.

Resources by need, before and after accounting for size

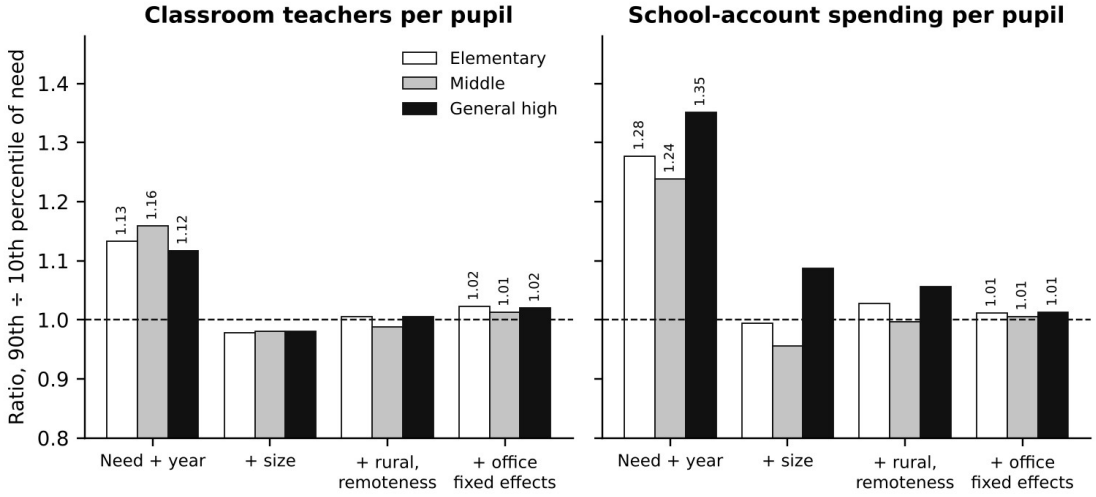


Figure. Ratio of predicted resources at the 90th and 10th percentiles of need. The apparent advantage of high-need schools (left bars) disappears once school size is held constant.

What this analysis does and does not show

Need is measured by district because Korea does not publish school-level counts of low-income pupils, so differences between schools within a district are not captured. Outcomes are measured by progression rather than achievement. School accounts exclude permanent teacher salaries, and private schools and vocational and selective high schools are excluded. The analysis shows whether resources move with need, not how much more would be enough; that requires cost modeling.

Implications

- **Weight allocations by pupil need,** in the Local Education Finance Grant formula and in offices' allocations of teaching posts and budgets, not only by classes and schools.
- **Extend differentiation from support staff and earmarked welfare programmes to teaching positions** and to the experience of teachers assigned to high-need schools.
- **Publish school-level need and outcome data:** counts of education-benefit recipients by school, and school-level results of a census or self-diagnostic assessment.
- **Estimate costs** of equal opportunity once those data exist, and account for the large private tutoring gap when setting public differentials.

Scope and data: School Info public disclosure (students, classes, teachers by position and certificate, staff, school accounts, graduates' destinations), 2019–2025; Social Security Information Service recipients by district (Dec. 2025); NHIS covered population (Dec. 2024); NPS average reported income (Dec. 2025). Need index: district income and share of children in regionally insured households, selected for predicting middle-school progression (cross-validated R^2 0.24). Full methods in the technical report.