SOCIOECONOMIC STATUS AND PERCEPTION OF THE QUALITY OF LIFE IN KOREA*

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The goal of this study is to show the structure of perceptions of overall and domain-specific quality of life, and the causal relationship of such perceptions with objective and subjective socioeconomic status among contemporary Koreans. Data from a national-level survey conducted in 1996 were analyzed for this purpose.

Factor analyses show that life satisfaction is organized around the three latent factor: socioeconomic security, public provision system, and interpersonal relationships. Our explanatory models, which encompass both objective and subjective socioeconomic status measurements, explain life satisfaction measures much better than they explain happiness measures. Similarly, our models explain satisfaction with the dimension of socioeconomic security and public provision systems much better than they explain satisfaction with the dimension of interpersonal relationships.

Throughout a set of causal analyses, asset value of current housing and household income consistently prove strong and significant determinants both of overall and domain-specific life satisfaction. Subjective socioeconomic situation variables — perception of income increase during the past 5 years, subjective social class position, and the degree of perceived equality in society — also consistently turned out to be strong determinants of overall and domain-specific life satisfaction. We conclude that these findings support both the need and relativity arguments about the relationship between socioeconomic status and the perceived quality of life.

INTRODUCTION

Despite the widely held conviction about the importance of socioeconomic factors in life, the causal relationship between objective socioeconomic well-being and the perceived quality of life, measured as either happiness or satisfaction with life, has been a weak links in the chain of endeavors to understand the mechanisms generating both overall and domain-specific subjective well-being, or perception of the quality of our lives. Many previous studies have found patterns of positive correlation between an individual income and subjective well-being (Diener 1984; Diener et al. 1993;

Douthitt et al. 1992; Easterlin 1974; Gitmez and Morcol 1994; Kim 1995).
Beyond such general patterns, however, the relationship between socioeconomic status and subjective well-being has been found to be quite complex.

Previous research on this relationship has generated basically two lines of argument. They agree with each other in that there is a positive correlation, but do not agree what should be the main focus of our explanatory effort regarding such relationships. One line of argument stresses universal and innate needs, the fulfillment of which can be greatly facilitated by the possession of socioeconomic resources (Veenhoven 1991; Diener et al. 1993). This argument, which can be termed as need theory, assert that the amount and the level of life chances which possession of the relevant socioeconomic resources brings affects subjective well-being in a universally positive manner to a certain degree.

The other line of argument emphasizes the relativistic nature of the human cognitive process in perceiving the quality of life. Easterlin (1974) presents findings that have served as a strong basis for this position, labeled the relativity hypothesis or argument. In this argument, the cognitive social comparison process is a key ingredient in the perception and evaluation of the quality of life. As such, the formation and variability of the standards for social comparison play significant roles in that process. Comparison standards can be based on interpersonal, intertemporal, or expectation dimensions. It also can be based on adaptation levels (Brickman et al. 1978). This argument is also called judgment theory, reflecting its emphasis on the cognitive judgmental process.

The main purpose of this paper is to show the relative strength of various factors related to the objective and subjective socioeconomic situation and the subjective well-being of individuals. To this end, I will first to show the latent factor structure of the measurement of satisfaction with life. Then, I will show the causal explanatory mechanism behind structure of the most common measures of subjective well-being: overall satisfaction with life, overall happiness, and domain-specific satisfaction measures. In doing so, I will also address some of the measurement issues in quality of life (QOL, hereafter) research.

A set of explanatory variables used in the analysis includes ones that comprise the essence of both the need and the relativity argument, that is, objective and subjective socioeconomic factors. Included among them are outcomes of several different conceptualizations and operationalizations of the income variable, which been the focus of much research for years (see Mullis 1992; Headey 1993). Also notable are variables for the asset value of current housing situation, and the degree of perceived equality in the soci-

ety as a whole.

DATA AND METHODS

Data

This study uses data from the *Korean Quality of Life Study* (KQLS), contucted by the Institute for Social Development Studies at Yonsei University in Korea. The KQLS survey was conducted in April 1996 with a national sample of 1,000 men and women, between the ages of 20 and 60. The main purpose of the survey was to collect information relevant to perceptions of the quality of life in Korea, other related aspects of individual life situations, and the perception of changes in Korean society.

Methods and variables

This study uses five groups of variables for both the empirical exploration of the factorial pattern of the latent dimension of the perception of the quality of life and the explanatory study of the determinants of such patterns of the perception of and satisfaction for the quality of life.

First, I employ a composite of twenty items concerning the degree of satisfaction with various aspects of life (See Table 2 below for a list of items included in this composite) to find latent dimensions of satisfaction patterns. Through factor analysis, I extract three dimensions of the quality of life measurement.

Second, I employ regression analysis to identify determinant patterns of the perception of the quality of life, using five measures (See Table 1 below for the detail) as variables to be explained. They include the measurements of global happiness (1-item question) and global life satisfaction (simple average of the 20-item composite questions mentioned above). Also included are three measures of satisfaction with three specific domains of life. These measures are the simple average of relevant items from the 20 questions, included in each of the factors identified in factor analysis.

Third, in the regression analysis, I use three groups of explanatory variables: demographic control variables, objective socioeconomic status variables, and subjective socioeconomic variables (See Table 2 below for the detail). Demographic variables are used mainly for the purpose of basic control function and include age, sex, formal schooling, and marital status. Objective socioeconomic status variables include personal income, household income, household income per capita, estimates of future income, occupational groups, and the monetary value of current housing situation.

Subjective socioeconomic status variables include perception of the income increase over the last 5 years, subjective social class position, and the general perception of the equality on various aspects of the Korean society.

Detailed descriptions of each variable used in the analysis are found in Table 1.

TABLE 1. VARIABLES USED IN THE ANALYSIS

A. Perceived quality of life
  1. SATIS: Overall (Global) life satisfaction
          unweighted average of the 20-item 5-point scale satisfaction measurement over various aspects of life
  2. HAPPIN: Overall (Global) happiness
          5-point measurement of global happiness
  3. F_SES: Socioeconomic security
          unweighted average of the items in the first factor from the factor analysis
  4. F_PUB: Public provision system
          unweighted average of the items in the second factor from the factor analysis
  5. F_REL: Interpersonal relationships
          unweighted average of the items in the third factor from the factor analysis

B. Demographic variables
  1. AGE10: Age measured in 10-year intervals
  2. MALE: Dummy variable for gender (male=1, female=0)
  3. EDUC: Years of formal schooling
  4. MARRIED: Dummy variable for marital status (married=1, not married=0)
  5. NVMARR: Dummy variable for marital status
          (never married=1, married/divorced/widowed=0)

C. Objective Socioeconomic status variables
  1. INCOME: Personal income measured units of 100,000 Won
          (Roughly 80 US Dollars in July, 1998)
  2. HINCO: Household income measured units of 100,000 Won
  3. HINCOPC: Household income divided by the number of household members
  4. FUTINCO: estimates of future income, calculated by INCOME multiplied by the inverse of AGE10
  5. WCOLLAR: Dummy variable for the white/blue collar occupational groups
          (white collar occupations=1, blue collar occupations=0)
  6. HOUSING: Asset value of current housing arrangement measured in million Won

D. Subjective socioeconomic status variables
  1. INCOINCR: Perception of income increase over the last 5 years
  2. SUBJCLAS: Subjective social class position measured on 6-category scale
  3. EQUALITY: perception of the degree of general equality in various aspects of contemporary Korean society
          (unweighted average over 9-item 5-point scale measurements)

FINDINGS and DISCUSSION

Latent factor structure of the 20-item satisfaction measurement

As the first step of the analysis, the 20-item indicators of satisfaction over various aspects of life were factor-analyzed to yield the latent factorial structure of the life satisfaction measurement. Table 2 presents the varimax-rotated factor structure, consisting of three factors. The first factor accounts for the largest amount of variance among the three, (with eigenvalue of 5.244) and 26.2% of the covariance among the 20 satisfaction measurement items represented. This factor consists mostly of the measurement items related to respondents' satisfaction with their socioeconomic positions. Hereafter we will refer to the first factor as Socioeconomic Security. The second factor, with eigenvalue of 1.781 and 8.9% of the covariance explained, is made up of items the provision of which is at least partly the responsibility of the society as a whole. Thus we will refer to the second factor as Public Provision System. The third factor, with the smallest eigenvalue of the three at 1.241 and 6.2% of the covariance explained, is composed of items related to various aspects of close interpersonal relationships or private social support network, such as family and friends. We will refer to the third factor as Interpersonal Relationships.

The factor structure shown in Table 2 gives a clear image of the latent structure of the life satisfaction measure. Not only is it clear in terms of the statistical criteria, but it also gives a conceptually well-balanced picture of the structural arrangements. From the results of the factor analysis, we see that satisfaction with the life is organized around the three latent conceptual factors. The first factor says that we all are predominantly concerned with socioeconomic status and security. The second factor indicates that, at the same time, we want some things in life which are in most cases to be provided by some form of collectivistic entity, such as government or community, to be available. The third factor suggests that still another source of satisfaction in life comes from the close interpersonal relationships in which we live everyday.

To evaluate ascertain the conceptual soundness of the factor findings, we may argue that the first factor is about satisfaction with the formal and objective socioeconomic situations that we as individuals earn mostly by our own efforts. The second factor is about satisfaction with social amenities that are provided mostly in indirect, formal and collective ways. The third factor concerns satisfaction with the informal and emotional aspects of life,

TABLE 2. FACTOR ANALYSIS OF SATISFACTION INDICATORS

Degree of Satisfaction with …	Mea (Range = 0~10, N = 835~1,000)	Std Dev	Factor 1: Socioeconomic Security	Factor 2: Public Provision System	Factor 3: Interpersonal Relationship
Earnings	4.41	2.31	.757	.084	.096
Savings	4.51	2.34	.702	.135	.119
Social Status	4.40	2.08	.595	.283	.128
Work/Occupation	5.29	2.48	.591	.055	.231
Preparation for Retirement	4.52	2.40	.528	.414	.119
Health	5.15	2.53	.326	.201	.255
Social Welfare	4.05	2.16	.242	.675	−.001
Public Safety	4.49	2.16	.091	.639	−.002
Cultural Life	4.60	2.25	.347	.586	.041
Informatization	4.94	2.09	.082	.533	.107
Education	5.15	2.20	.079	.475	.334
Leisure	4.67	2.39	.428	.438	.020
Housing	5.01	2.53	.362	.393	.215
Relationship with Children	6.86	2.27	.121	−.050	.740
Family Relationship	6.84	2.33	.186	−.074	.706
Affection	6.28	2.43	.274	−.016	.654
Education of Children	5.40	2.48	.003	.381	.562
Child Rearing	5.33	1.98	.034	.309	.544
Friendship	6.44	2.11	.120	.321	.342
Household Work	5.03	2.02	.208	.230	.278
EigenValue			5.244	1.781	1.241
Percentage of Variance			26.2	8.9	.62

such as the informal social support system around us.

Determinants of perception of the overall quality of life

Perceptions of the overall quality of life were measured by two variables in this study. One is overall satisfaction with life, consisting of the simple unweighted average of the 20-item satisfaction measurement over various domains of life. The other is overall happiness, measured by a single 5-point scale question.

Explanatory variables for such overall subjective well-being measures include demographic variables for the statistical control purpose, objective socioeconomic variables, and subjective socioeconomic situation variables.

The correlation patterns presented in Table 3 reveal some of the salient structural features which may bear some implications for the later causal

TABLE 3. CORRELATIONS BETWEEN VARIABLES IN THE ANALYSIS

Variable	INCOME	HHINCO	HHINCOPC	FUTINCO	WCOLLAR	HOUSING	INCOINCR	SUBICLAS	EQUALITY	HAPPIN	SATIS	F_SES	F_PUB	F_REL
INCOME	.													
HHINCO	.436***													
HHINCOPC	.141***	.598***												
FUTINCO	.846***	.393***	.248***											
WCOLLAR	.535***	.124***	.072*	.465***										
HOUSING	.026	.233***	.143***	-.057	.041									
INCOINCR	-.178***	.014	.016	-.104***	-.310***	.009								
SUBICLAS	.139***	.314***	.136***	.100**	.047	.268***	.008							
EQUALITY	-.065*	-.076*	-.057	-.047	-.061	.051	.183***	.031						
HAPPIN	.087*	.180***	.077*	.098**	.042	.080*	.047	.197***	.050					
SATIS	.104**	.180***	.001	.091**	.028	.180***	.138***	.305***	.339***	.442***				
F_SES	.148***	.232***	.034	.148***	.059	.129***	.151***	.322***	.272***	.410***	.816***			
F_PUB	.042*	.099**	.024	.042	-.020	.192***	.163***	.217***	.393***	.276***	.833***	.574***		
F_REL	.119***	.115***	-.066	.122***	.067	.064	.091**	.159***	.088*	.407***	.705***	.408***	.366***	
Mean	9.285	20.782	7.728	18.412	.451	76.278	1.645	3.171	3.834	5.625	5.177	4.637	4.702	6.175
Std Dev	10.513	12.583	8.647	23.807	.498	75.296	.609	.808	1.560	2.062	1.150	1.630	1.377	1.511
N	1000	1000	995	1000	1000	976	1000	1000	1000	1000	805	981	986	813

*p<.05, **p<.01, ***p<.001

analysis.

First, happiness and life satisfaction are strongly correlated in a positive direction. Second, the four different masures of income are highly inter correlated. Third, the asset value of housing shows a strong positive correlation with household income and subjective social class location. Fourth, white collar workers do have more current income, and expect gareater income in the future, but feel that their income level has not increased during the last 5 years. Fifth, people who think their income has increased in the last 5 years tend to be lower income-earners and blue-collar workers, but they do feel the society as a whole is equal, and are more satisfied with life. Sixth, income, asset value of housing, and happiness and satisfaction are all positively correlated with subjective class position. Seventh, income level is negatively correlated with the perceived degree of equality in society. Also, the perception of equality in society has nothing to do with personal happiness, but has a lot to do with making oneself satisfied with life. Finally, overall happiness and overall life satisfaction have comparable patterns of correlation with objective socioeconomic status variables, especially income. However, the comparability does not extend to the realm of the subjective socioeconomic situation variables. While such variables show strong and positive correlations with overall life satisfaction, the degree of the correlation diminishes drastically with overall happiness.

I will move on to the causal analysis for the overall subjective well-being. Table 4 presents the results of the regression analysis of two measures of overall subjective well-being: overall life satisfaction and overall happiness. We find three regression model estimates for each of the two subjective measures of overall well-being. The estimates represent the stepwise addition of the set of variables in the model. The first model has only the demographic variables as explanatory variables. The second one includes objective socioeconomic status variables as well. The third one includes all three sets of variables. We will be interested in the changes in the explanatory power between models, and the changes in the regression coefficients.

First, we will look into the causal patterns related to overall life satisfaction. As shown in Model 1-1, demographic explanatory variables alone explain only 3.4% of the total variance in overall life satisfaction. The explanatory power of the model increases to 8.4% of the total variance explained between Model 1-1 and Model 1-2. In Model 1-2, only household income and asset value of housing variables show statistically significant causal patterns. The total variance explained in the Model 1-3 climbs to the 25.9% level, which represents the strong explanatory power of the subjective socioeconomic situation variables. That is, subjective socioeconomic situa-

TABLE 4. REGRESSION RESULTS OF PERCEPTION OF THE OVERALL QUALITY OF LIFE ON SOCIO-ECOMONIC VARIABLES

Variable	Overall Satisfaction			Overall Happiness		
	Model 1-1	Model 1-2	Model 1-3	Model 2-1	Model 2-2	Model 2-3
AGE10	.045 (.047)	-.041 (.051)	-.068 (.046)	-.118 (.079)	-.180 (.086)*	-.194 (.085)*
EDUC	.054 (.016)***	.026 (.016)	.010 (.015)	.081 (.026)**	.043 (.028)	.030 (.028)
MARRIED	.431 (.180)*	.333 (.180)	.434 (.162)**	.435 (.318)	.366 (.320)	.386 (.317)
NVMARR	-.065 (.243)	-.205 (.271)	-.183 (.244)	-.208 (.371)	-.373 (.390)	-.406 (.387)
MALE	-.069 (.083)	-.001 (.103)	.034 (.094)	-.007 (.135)	.104 (.161)	.153 (.161)
INCOME		-.004 (.009)	-.002 (.008)		-.016 (.015)	-.017 (.015)
HHINCO		.016 (.005)**	.013 (.005)**		.024 (.008)**	.018 (.008)*
HHINCOPC		-.020 (.001)	-.015 (.010)		.001 (.013)	.004 (.013)
FUTINCO		.003 (.004)	.001 (.003)		.006 (.006)	.005 (.006)
WCOLLAR		-.080 (.099)	.033 (.092)		.017 (.158)	.062 (.162)
HOUSING		.003 (.001)***	.002 (.001)***		.002 (.001)*	.001 (.001)
INCOINCR			.126 (.064)*			.056 (.113)
SUBJCLAS			.323 (.047)***			.353 (.086)***
EQUALITY			.243 (.023)***			.062 (.041)
Constant	4.042 (.348)***	4.345 (.354)***	2.444 (.359)***	4.778 (.588)***	4.902 (.606)***	3.769 (.671)***
Adjusted R^2	.034	.084	.259	.026	.047	.064
F	6.666***	7.576***	20.600***	6.422***	5.383***	5.755***

*p<.05, **p<.01, ***p<.001

tion explains a substantial amount of variation in the overall life satisfaction.

Looking at the coefficients in Model 1-2 and Model 1-3, we find few interesting patterns among the demographic variables. The only finding that seems salient and consistent with demographic variables is that married people tend to be more satisfied with life.

Among the objective socioeconomic status variables, household income and asset value of housing variables play significant explanatory roles in both models. Other income-related measures — personal income, household income per capita, expected future income — do not prove to be statistically significant explanatory variables for overall life satisfaction. What this pattern suggests is that, in Korea, the most important determinant of overall life satisfaction is the household or family. The family must be symbolically characterized as actually functioning as a total unit of earning, consumption, and must enjoy the same life style and life chances.

Asset value of housing also proves to be an important determinant of overall life satisfaction. This probably holds true in many other countries, but has particularly strong explanatory power in Korea. Reasons for this can be given in four kinds of arguments. First is a strong heritage of stable settlement among Koreans. Korea has traditionally been an agrarian society, based on small closely knit communities. One of the defining characteristics of such community structures is a long-lasting settlement in one place and dwelling unit. A remnant of such tradition in modern context is the strong emotional tie with real estate, particularly housing. Second, during the period of rapid economic development since the mid-20th century, houses and condominiums have been regarded as very reliable investments, the effectiveness and efficiency of which has been proven to be quite enduring. Third, no stable and reliable long-term monthly rental housing market has existed in Korea. The rental housing market is very small, inefficient, and unreliable. There has been virtually no effort to set up any institutional arrangement for such a sector in the housing market. Fourth, during the recent decades of rapid economic development, conspicuous consumption of any excessive kind has been suppressed by the state. Perhaps the only consumer goods available for the conspicuous corsumption of most middle and upper-middle class Koreans is housing. Hence, most Koreans are very conscious of the monetary value of their housing, and tend to judge their own socioeconomic status and that of others from their housing situations. Housing has symbolically and effectively served as a symbol of the occupant's socioeconomic status. As discussed here, it is only natural in this context, that the asset value of current housing should be an important determi-

nant of the life satisfaction.

All three subjective socioeconomic situation variables prove to be significant determinants of overall life satisfaction, as shown in Table 3. Perceptions of greater income increases over the last five years lead to greater life satisfaction. Higher perceptions of social class also lead to greater life satisfaction, as do perceptions of the equality of society as a whole.

Note that the degree of perceived equality in a society is a direct determinant of the life satisfaction. This finding shows the value many Koreans place on equality. Such strong sentiments for equality arguably stem from the historical experiences of Korea since the late 19th century. The breakdown of traditional status systems in the midst of political instability and in the wake of opening up the gate to the outer world was only strengthened in the early 20th century when Korea was colonized by Japan. After the World War II, Korea had no time to strengthen its own sociopolitical system before it was devastated by the Korean War, which left Korea in a massive and exhaustive destruction. By the end of Korean war and in the mid 1950's, all Koreans were virtually in the same state, that is, all in an extremely pauperized state of life. No status system was in order, and no economic class was in action. All the inequality structures that Korean society now displays have been constructed only during the subsequent decades of rapid economic development. Given this historical experience, it is not at all surprising that Koreans are very keen about social comparisons, both interpersonally and intertemporally, and are very conscious about equality.

Now let us look at the causal mechanism for overall happiness. Table 4 shows that the explanatory variables do not function as well as they did with the overall life satisfaction variables. In Model 2-3, the explanatory variables together explain only 6.4% of the total variance in overall happiness, while they explained as much as 25.9% of the total variance in overall life satisfaction. What this finding suggests are twofold. First, life satisfaction and happiness are two different measures of subjective well-being. From previous studies, we know that the satisfaction measure is more related to the structural aspects of life and is more stable over time and measurement tools, while the happiness measure is more related with the micro aspects of life, such as personality traits, daily events, and affective dimensions of life. Second, many of the socioeconomic variables have nothing to do with the degree of perceived happiness. Exceptions include only household income and subjective social class.

Determinants of perceptions of domain-specific quality of life

From the previously mentioned factor analysis of the 20-item satisfaction scale, we have found that life satisfaction is organized around three latent factors: socioeconomic security, public provision system, and interpersonal relationship. Each of three latent factors of life satisfaction was regressed with the same set of explanatory variables in the previous regression analysis for overall subjective well-being. The results of this analysis are presented in Table 5.

In Table 5, we find that our explanatory variables, the essence of which are objective and subjective socioeconomic variables, best explain the socioeconomic security factor, with 22.3% of variance explained in Model 3-3. The explanatory power of the model was almost as strong for the public provision system factor, with 21.5% of the variance explained in Model 4-3. The interpersonal relationship factor was the worst explained among the three, with only 13.8% of the variance explained by the Model 5-3. Such differences in the explanatory power of the model by the factors show that the interpersonal aspects of life have relatively little to do with the socioeconomic situation of the individuals. The same point can be confirmed by examining the regression coefficients. For the interpersonal relationships factor, unlike the case for other factors, the demographic variables turn out to be statistically significant. The age and marital status of individuals are found to be significant determinants of satisfaction with interpersonal relationships. Married people are more satisfied with this dimension of life than those who are not.

Satisfaction with the socioeconomic security is found to be influenced by the individual's perceived socioeconomic situation. Also, household income level positively affects satisfaction with this dimension. Interestingly, men are found to be more pessimistic about socioeconomic security than women are.

Satisfaction with the public provision system are found to be affected by all three of the subjective socioeconomic situation variables, and the asset value of housing. In Korea, providing oneself with housing is regarded to be primarily the responsibility of the individual. At the same time, however, the housing market is subject to government policy and intervention, and the proper provision of affordable housing is without a doubt under the anspices of the Korean of government. This important role of government, through direct policy intervention and indirect market manipulation, perhaps is the reason why the housing variable is found to be a determinant of

Table 5. Regression Results of Perception of the Domain-specific Quality of Life on the Socio-ecomonic Variables

Variable	Socioeconomic Security			Public Provision System			Interpersonal Relationship		
	Model 3-1	Model 3-2	Model 3-3	Model 4-1	Model 4-2	Model 4-3	Model 5-1	Model 5-2	Model 5-3
AGE10	.064 (.464)	.009 (.067)	-.016 (.062)	.116 (.054)*	.078 (.059)	.058 (.053)	-.105 (.060)	-.177 (.065)**	-.190 (.064)**
EDUC	.101 (.062)***	.054 (.022)*	.037 (.020)	.049 (.018)**	.036 (.019)	.028 (.017)	.027 (.020)	-.003 (.021)	-.016 (.021)
MARRIED	.187 (.250)	.066 (.249)	.138 (.230)	.111 (.215)	-.009 (.217)	.075 (.196)	.967 (.230)***	.971 (.231)***	1.013 (.228)***
NVMARR	-.224 (.294)	-.106 (.307)	-.104 (.283)	.175 (.252)	.058 (.266)	.123 (.241)	-.554 (.311)	-.723 (.349)*	-.713 (.344)*
MALE	-.293 (.107)**	-.364 (.128)**	-.286 (.119)*	-.023 (.092)	.026 (.111)	.060 (.101)	.127 (.106)	.183 (.132)	.230 (.131)
INCOME		-.002 (.012)	.001 (.011)		-.011 (.010)	-.005 (.009)		-.011 (.012)	-.010 (.012)
HHINCO		.027 (.007)***	.021 (.006)***		.007 (.006)	.005 (.005)		.013 (.007)**	.010 (.007)
HHINCOPC		-.024 (.011)*	-.018 (.010)		-.010 (.009)	-.007 (.008)		-.009 (.014)	-.006 (.014)
FUTINCO		.009 (.005)	.006 (.004)		.007 (.004)	.004 (.004)		.001 (.005)	.004 (.005)
WCOLLAR		-.046 (.124)	.105 (.118)		-.194 (.108)	-.067 (.101)		.051 (.127)	.162 (.130)
HOUSING		.002 (.001)***	.001 (.001)		.003 (.001)***	.002 (.001)***		.002 (.001)**	.001 (.001)
INCOINCR			.263 (.082)***			.197 (.070)**			.183 (.089)*
SUBJCLAS			.474 (.063)***			.253 (.053)***			.240 (.066)***
EQUALITY			.272 (.030)***			.325 (.026)***			.084 (.032)***
Constant	3.260 (.464)***	3.454 (.473)***	.814 (.487)***	3.616 (.399)***	3.720 (.413)***	1.452 (.418)***	5.386 (.443)***	5.592 (.454)***	4.413 (.504)***
AdjustedR^2	.036	.086	.223	.004	.039	.215	.084	.111	.138
F	8.343***	9.125***	20.548***	1.877	4.540***	19.664***	15.968***	10.003***	10.065***

*p<.05, **p<.01, ***p<.001

the satisfaction with public provision system.

CONCLUSION AND IMPLICATIONS

The goal of this study was to show the structure of perceptions of overall and domain-specific quality of life, and the causal relationship of such perception with objective and subjective socioeconomic status among contemporary Koreans. Data from a national-level survey conducted in 1996 were employed for this purpose.

For factor analyes show that life satisfaction is organized around the three latent factors: socioeconomic security, public provision system, and interpersonal relationships.

Our explanatory models, which encompass both objective and subjective socioeconomic status measurements, explain life satisfaction measures much better than they explain happiness measures. Similarly, our models explain satisfaction with the dimensions of socioeconomic security and public provision systems much better than they explain the dimension of satisfaction with interpersonal relationship.

Throughout a set of causal analyses, asset value of current housing and household income consistently proved to be strong and significant determinants both of overall and domain-specific life satisfaction. Subjective socioeconomic situation variables — perception of income increase during the past 5 years, subjective social class position, and the degree of perceived equality in society — also consistently turned out to be strong determinants of overall and domain-specific life satisfaction. We conclude that these findings support both the need and the relativity arguments about the relationship between socioeconomic status and the perceived quality of life among Koreans. Koreans' perception of the quality of life, especially when measured as the satisfaction of life, is affected not only by the possession of absolute and objective socioeconomic means and resources, but also by relative and subjective self-evaluations about what they have, where they are located on the socioeconomic ladder, and whether their lives are getting better.

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