

# **Korea's Saemaul Undong,**

## **Success or Failure?**

**A Structural Perspective**

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# Korean Republics and Presidents

Presidents	Republics	Process	Tenure
Syngman Rhee	First	Civilian, Elected President	1948-1960
Yun Po-sôn	Second	President within Parl't gov't	1960-1962
Park Chung Hee	Third & Foruth	Military coup, Elected & Indirectly Elected President	1961-1963, 1963-1972, 1972-1979
Ch'oe Kyu-ha	Fourth	Indirectly elected	1979-1980
Chun Doo-whan	Fifth	Indirectly elected	1980-1988
Rho Tae Woo	Sixth	Directly elected	1988-1993
Kim Young Sam		Directly elected	1993-1998
Kim Dae Jung		Directly elected	1998-2003
Rho Moo Hyun		Directly elected	2003-2008
Lee Myung-bak		Directly elected	2008-2013
Park Guen-hye		Directly elected	2013-







## **Saemaul undong**

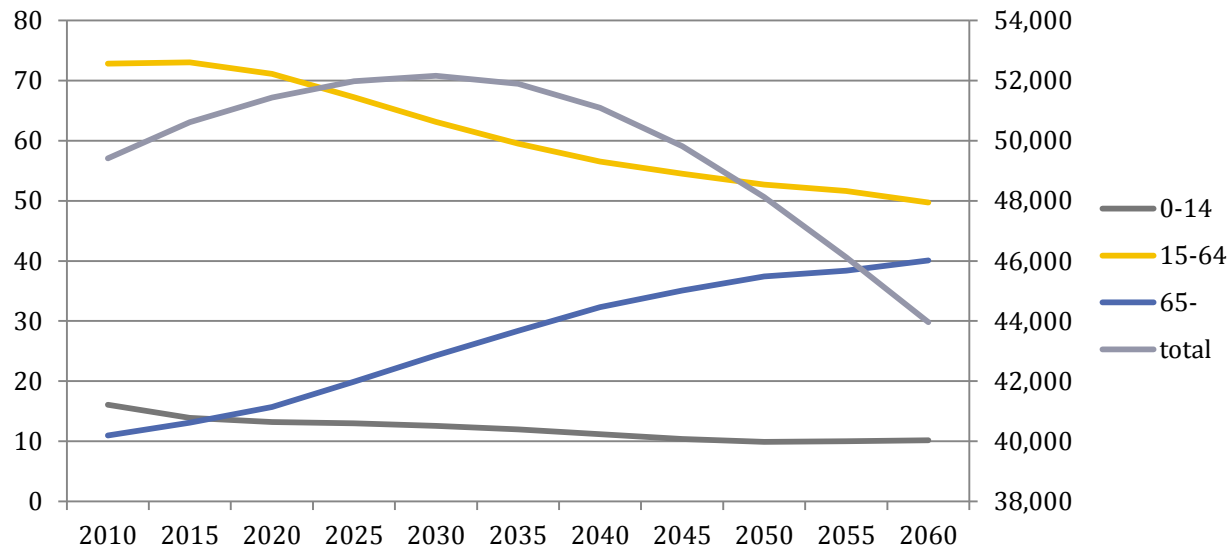
Initiated in 1971 as a rural self-help community movement.  
Government initial support + villagers self-help efforts

# Economic and Social Indicators in East Asia

	GNI per capita (current US\$)	HDI ranking 2011	Life expectancy at birth	Infant mortality rate (per 1000 live births)	Population
<b>Cambodia</b>	1,848	139	63.1	54.08	14.56mn
<b>Ghana</b>	1,584	135	64.2	47.26	24.22mn
<b>China</b>	7,476	101	73.5	15.62	1.34bn
<b>Indonesia</b>	3,716	124	69.4	26.99	248.21mn
<b>Korea</b>	28,230	15	80.6	4.08	48.60 mn

Source: UNDP Human Development Index Report 2011;  
World Bank Databank (2011)

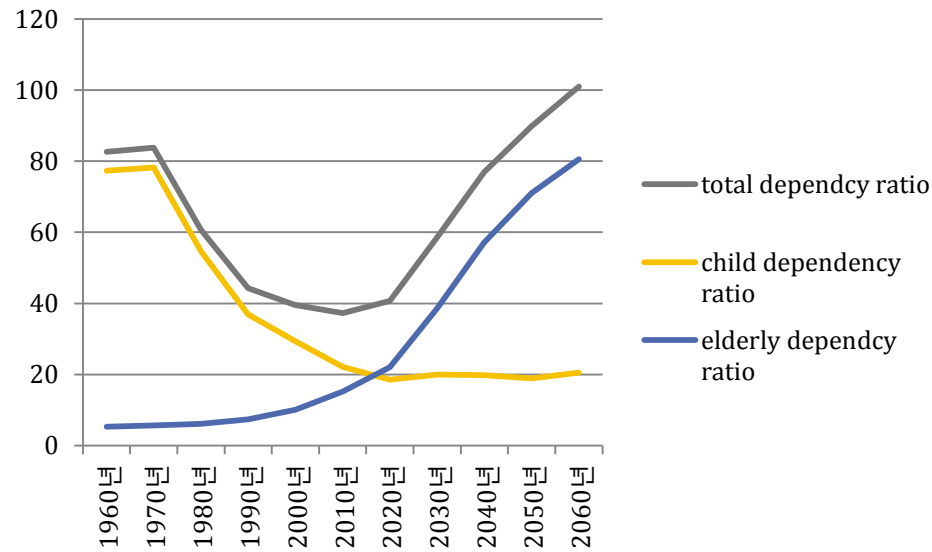
# Demographic Structure in Korea (projection, % and ,000)



Source: Korea statistical office 2011

Ageing society with few children

# Dependency ratio in Korea (projection)



Source: Korea statistical office 2011

Demographic gifts becomes time-bomb.



# Introduction

- **Is Saemaul Undong (new village movement) success or failure?**
  - **Developing the agricultural sector, and creating rural middle-class?**
  - **For Korea's transition from a poor to modern, industrialized society?**
  
- **Through a structural perspective on Saemaul Undong**
  - **Structural change in social class**
  - **Saemaul undong as a mechanism of social inclusion**
  - **Saemaul undong as a form of authoritarian mobilization**

# Introduction

## ➤ **With an institutional perspective**

- The role of government
- Improving rural economy (infrastructure and income)

## ➤ **Key arguments**

- Independent small farmers created by the land reform made Saemaul undong successful.
- Government mobilization (local leaders and public officials) efforts were combined with self-help movement.
- Small farmers and their families were included in the broad social change of industrialization, and integrated to the fold of modern citizenry.
- Authoritarian legacy hinders further development.

# Approaches to Development Policy

- **State-centered development strategies**
- **Market-oriented development policy**
- **Good-governance approach**
  - In relation to the MDG
  - Is good governance approach useful?
  - Missing links?
- **Saemaul Undong:**
  - A community movement could link state, market and civil society efforts for poverty reduction.
  - Specific context and policy implications

# Structural change in social classes

## ➤ Land reform in Korea (1946-1955):

- **Carried out in three waves**
  - American military government (1945-1948) policy in 1946, 1 and 2nd
  - Korean government in 1948-1955
    - Only cultivating farmers own land
    - Three hectare maximum.
    - No contract out
- **Small independent farmers**
  - Interested productivity increase: infrastructure, new products
- **Mass expansion of education**
  - Well-educated Community leaders

# Structural change in social classes

- **President Park at the launch of Saemaul Undong in April 1970:**
  - **“We need to support ourselves to develop our villages. With aspirations of self-help, self-reliance and cooperating, we can make our village rich and turn into a good place to live.” cited from Oh (2002)**
  - **Key ideas**
    - **Self-help**
    - **Government support: modicum of material support, occasional financial support**
    - **Voluntary participation**

# Saemaul Undong as Social Inclusion

- **Korea economic development in the 1970s and 80s:**
  - **Driven by export-oriented industrialization**
  - **Smaller contribution by agricultural sector (Adelman 1997)**

Employees by industry (%)

	Agricultural	Manufacturing	Service
1966	57.89	10.48	32.27
1971	48.44	14.19	37.37
1978	38.41	23.15	38.44
1985	24.94	24.44	50.62
1990	18.25	27.32	54.42

National Statistical Office, 1966, 1986, 1990

# Saemaul Undong as Social Inclusion

- **Korea's economic development:**
  - **Import substitution**
  - **Export-oriented industrialization**
  - **Heavy and chemical industries**
  - **Advanced technology-based industries**
  
- **Rural households in the social transition**
  - **Relative stagnation in rural sector and urban migration**
  - **Saemaul undong for rural development**
  - **Improvement in infrastructure and income**

## Incidence of Absolute poverty (percentage)

	1965	1970	1976	1980	1991
Urban households	54.9	16.2	18.1	10.4	8.7
Rural households	35.8	27.9	11.7	9.0	2.8
All households	40.9	23.4	14.8	9.8	7.6

Source: Kwon 1998, 34



# Saemaul undong as authoritarian mobilization

- **Saemaul Undong as community movement**
  - Voluntary participation
  - Linchpin that links economic development and poverty reduction
  
- **Political mobilization tool**
  - President Park Chung Hee Government
  - Military coup in 1961
  - Elected again in 1971 (very narrowly against Kim Dae-jung)
  - Yushin Constitution: hard authoritarian regime
  - Saemaul Undong as mobilizing political support
    - Heavy handed implementation
    - Political show-off
    - President Chun tried to adopt the similar strategy but failed.

# The Role of the government in Saemaul undong

## ➤ Community movement

- Voluntary participation from local members
- Local officials in implementation (public resource + local knowledge)

## ➤ Government support for Saemaul undong

- President Park Chung Hee's enthusiasm
- Ministry of Interior
- Local officials at the community level
- Community leaders
- Grass-root participation
  - Hierarchical implementation
  - Communication and persuasion

# The Role of the government in Saemaul undong

## ➤ Local officials in implementation

- Local officials as Changing Agents
- Local official Mr. Cheong in Kyungbuk Province
  - ‘... compared to Japanese period, it was nothing. ... We were doing for ourselves not for President Park Chung Hee. We are renovating the road to our village to relieve our hardship. When I explained this to people, they all understood very well.’  
- Interview cited from Eom (2011)
  - Mr. Cheong used his informal network for public support such as provincial government, local military commanders, and private companies

# Improving rural economy

- **Community infrastructure development through Saemaul projects**
  - Infrastructure development projects in the 1960s
  - The government support (public resource for start-up + local participation)
  - Initial success but need for direct impact on income level
  
- **Raising income of rural households through Saemaul projects**
  - Supply of Fertilizers, agricultural pesticide, chemicals for productivity
    - Chemical industries began to produce them from 1970.
  - Diversification of agricultural products for commercialization
    - Agricultural products + processing works
  - Dual price policy for certain agricultural products
    - Reduction of economic risks
  - Development of new rice grains for better yields

# Improving rural economy

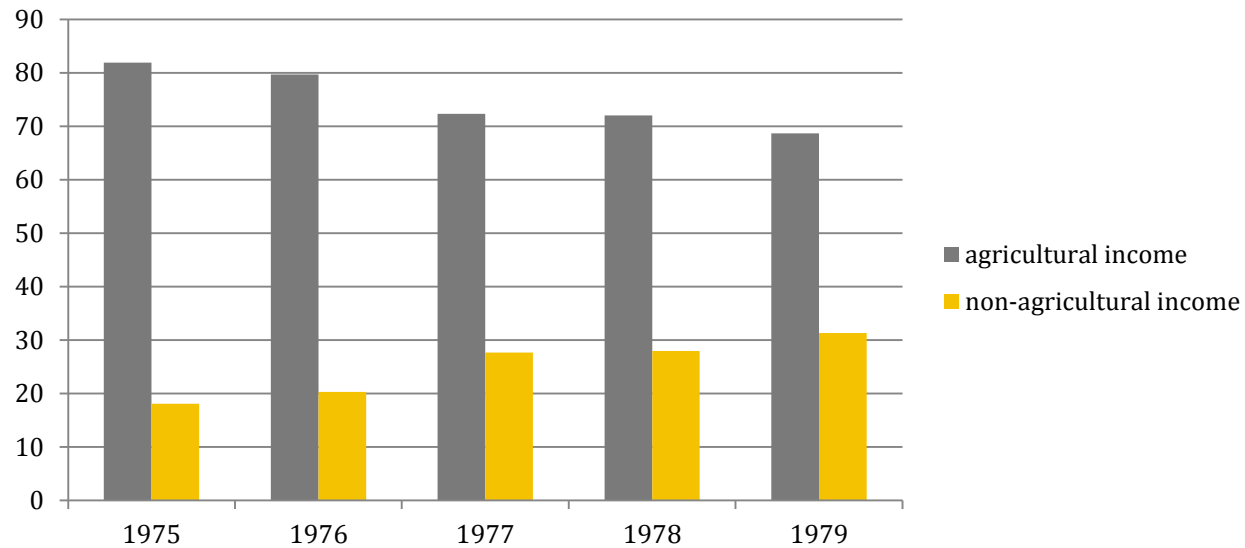
Policy target for income level and composition in 1974

	1974		1981	
	income	Per cent	Income	Per cent
Agricultural income	542	80.3	701	50.0
Non-agricultural income	132	19.7	699	50.0
Total	674	100.0	1400	100.0

Source: Ministry of Agriculture and Fishery, 1974, cited from Lee (2014)

# Improving rural economy

Trend of income composition in rural households (%)



Source: Lee (2014) p. 309

# Conclusion

- **Saemaul Undong in Korea**
  - Failure in creating rural middle class (1<sup>st</sup> order failure)
  - Success in social inclusion (2<sup>nd</sup> Order success)
  - Based on changes in social structure (independent farmers)
  - Support from industrialized infrastructure
- **Social inclusion in the process of broad change**
  - Collaboration of Government and Community Participation
  - Transition from agricultural and industrialized economy
  - Combining Urban and rural change
  - Creation of modern citizenry (Policy locus and focus)
- **Policy implications**

# Conclusion

## ➤ Now, key questions

- What should it be continued in present-day Korea?
  - Good governance (participation, & persuasion) or mobilization?
- How should it be compared with those in other countries?
  - A kind of community movement or unique?
- Can it be relevant to other developing countries?
  - Structural conditions and cultural bias?
- Is it for rural economic development or for social inclusion?
  - Failure and success?



**Thank You !**