

Public Policy Context of 1970s Saemaul Undong in Korea

1970년대 새마을운동의 공공정책 맥락

이 달 곤*

Lee, Dal-Gon

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This paper traces the contextual government policies which might have contributed the success of Saemaul Undong in 1970s. In the early days of national development, industrialization was realized through the diverse instruments of government policies, and the following social and economic changes were closely related with public policies taken beforehand. In addition to the macro contextual and social and economic environment variables, the characteristics of the movement that attempted to incorporate such social and economic changes and government efforts played prominent parts in shaping overall courses of progress.

This paper found out urbanization with industrialization, and enthusiasm for educating children had been leading the way of rural changes. Land ownership reform, way back in 1950s, and the policies and programs contained in the 1st and

* Professor of Gachon University

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2nd 5 year economic development plans have contributed, as contextual requisites, for the acceleration of the rural development movement. At the same time, the internal movement mechanism that gave rise to rural reform was representatively redescribed by the four dimensions: consciousness, communication, capacity, and compatibility. These four concepts capture the essence of managing Saemaul Undong and the congruence between the context and the motivity of the movement eventually left the legacy of Saemaul Undong.

□ Keywords: Policy Context, Movement Dynamics on Policy Context, Success Context of Seamaul Undong, Case Study

본 연구는 1970년대 정부정책 주도 사업 일환으로 수행된 새마을 운동의 성공 사례를 살펴본 연구이다. 본 연구에서는 새마을 운동의 성공적 맥락을 두 가지 차원으로 분류하여 접근하였다. 첫째, 초기발전국가 시기에 선행된 다양한 정책결과로 나타난 사회·경제적 환경변화의 맥락분석이다. 둘째, 새마을 운동의 전개과정 상에 나타난 정책 내부요인 분석이다. 공공정책맥락접근을 토대로 새마을 운동이 성공맥락을 다음과 같은 결과를 도출하였다. 첫째, 1950년대 정부주도 산업화정책 결과에 따른 도시화와 국가차원의 교육열의가 새마을 운동의 진원지인 지역의 사회·경제적 변화를 이끌어 온 동력이 되었다는 점이다. 둘째, 1950년대 농촌토지개혁과 1-2차 경제개발 5개년 계획에 따른 지역개발운동은 새마을운동을 수행할 수 있는 토대가 되었다는 점이다. 셋째, 새마을 운동의 성공의 주요원인은 정부주도의 산업화정책 환경변화와 함께, 새마을 운동을 주도하는 정책수행자들의 의식, 소통, 수용성, 역량의 작동원리가 상호작용하였다는 점이다. 본 연구는 지역발전정책의 성공여건이 지역 자체의 역량 뿐 만 아니라 외부환경여건마련이 중요하다는 점을 보여주고 있다. 따라서, 본 연구는 지역발전정책이 수행되기 이전과 당시의 정책 맥락적 요인이 지역발전정책성공요인의 주요요인임을 보여줌으로써 향후 지역발전정책 사례연구에 시사점을 제공한다.

□ 주제어: 정책맥락, 정책맥락의 작동원리, 새마을운동, 성공맥락, 사례연구

I. Goal and Scope of the Paper

1. Background

Korea's rural development since the end of Korean war has been often described truly remarkable. The society had been in the state of chaos after the Korean war (1950-1953) and traditional confucian culture stayed out longer in almost every corner of civil life. In 1950s, about 80% of the population had been engaged in agriculture. The people in 1960s in rural communities were rolled around countryside, idling away during off farming season. In 1950s and 1960s, the Republic of Korea (thereafter referred to as Korea) was one of the poorest countries in the world, with per capita real GDP (Gross Domestic Product) amounted to \$82 chained (1960) U.S. dollar.

Japan had occupied Korea for 36 years (1910-1945) and when its occupation ended there was no industrial basis for the Korean to rely on. To add to the misfortune, the communist North invaded the South Korea in 1950 and the war lasted for 3 years, resulting in enormous casualties and complete destruction of infrastructures and industrial bases. In addition to the shortages of natural resources and financial capacity, the country was temporarily divided along the 38th parallel by the Allied Forces Supreme Command. National security umbrella was provided by the United States through the Korea-U.S. Mutual Defence Treaty. With series of calamities and catastrophes, economy was inflicted by high level of inflation, and social chaos made heavy weather of Korean's live.

How can we explain the drastic social and economic changes? The transformation from rural country ingrained with poverty and social backwardness toward modernized country need comprehensive and in-depth studies. There have been a large body of studies that attempted to explain the underlying elements and factors of the dynamic process of economic development. Among other valuable research areas, the success of rural community development had a well deserved reputation for a macro analysis. It is not easy to find any exemplary rural development case among the emerging countries, after the 2nd World War, which evolved from rags to modern local community. The heteromorphism of the rural community, with the transformation of urban area,

toward highly sophisticated and modernized society with democratic governance could be viewed indeed as a rare example in the modern history.

2. Approach

In this study, the author will delve into the well known success story of the Saemaul Undong in 1970s with the perspective of macro public policies. The author proposes that to strengthen the power of explanation for the success of Saemaul Undong, several key public policies that had been introduced before and implemented during the 1960s and 1970s should be critically reviewed in relation to the movement.

The contextual approach is not based upon the causality improvement, but it gives very useful insights in explaining social and economic change of a country. The term 'context' includes macro, meso, and micro environment of a certain plan or strategy. (Cesta, 1995) Context analysis is very useful in designing business strategy. It deals with entire environment, such as macro environment, meso-level environment, and micro environment, in the context of strategic planning of actions for business. It basically includes, political, economical, and social trends and technological change and demographic compositions. (Ward, 2002: 70-87)

The contextual variables in this study are taken from many literatures of development and modernization. (Weiner, 1966; Adelman and Morris, 1967; Myrdal, 1968; Eisenstadt and Rokkan, 1973) Theoretic and empirical research found several key variables which have close correlations with social, political, and economic development: schooling, experience of factory, urbanization, mass communication, institutions such as bureaucratic agencies and agricultural cooperatives, and individual attitude, to mention a few. In the policy approach, macro environment is loosely linked to a society's tradition and culture, and meso and micro environments are closely related with previous policy outcomes. Also, previous policies which have been implemented several years before might work as pre-conditional foundation of a social movement, such as Saemaul Undong.

In addition to the explanation issue of success of social movement, the macro policies provides validation and efficaciousness of transferability study when it is closely linked with social and economic trends. Context analysis has been extensively

used in developing global business strategy (Ward and Peppard, 2002: 82.). In doing new business, social and economic trend as well as various environmental elements of the market are critical factors, and that is way the approach is well structured in business administration. Persuasion for transferring the Korean Saemaul Undong model to many underdeveloped countries with different conditions should be based on the arguments integrating the social trends of a certain period and closely related key public policies.

The actions and dynamics within the movement itself are always dropping many stitches in explaining and analyzing the performances of the Saemaul Undong. The introduction of major public policies which had been implemented before the Saemaul Undong might lay out preconditions for the remarkable outcome of the Saemaul Undong, and several policies carried out simultaneously with the Saemaul Undong programs might play out beneficial partners' role in the process of the movement. The major policies previously carried out might have contributed to formulating a clear social and economic current of the times and become a trend. Antecedent government policies exercise a large share of influence on the next social and economic movement especially a society is underdeveloped. Consideration of the public policies which comprised the external environments of the Saemaul Undong is essential for explaining the whole feature of the unique rural development program. Transferring Saemaul Undong model without deep consideration of differences of social trends and policy characteristics of specific country will definitely face dismay.

In this study, the author attempts to identify meaningful sources of foundation that enabled the fruitful performance of the rural development program, Saemaul Undong. Based on researches done before, the author is able to identify several key factors, argued with logic, which helped the Saemaul Undong cruise along the orbit of national development programs. There are two kinds of contextual dimensions: the first one involves social trend of those days which spread mat for smooth take off of the Saemaul Undong, and the second one indicates several key policies which gave an impulse to realizing outcome of the movement. The author will focus on selected major social fabrics and changes at those days and specific public policies that were very closely associated to the Saemaul Undong in order to avoid hodgepodge explanation of correlations between various policies and the success of Saemaul Undong.

After identifying the social trends and related public policies which were considered as contextual variables of the success of Saemaul Undong, the author will look into how those trends and policies are ostensibly utilized in carrying out the Saemaul Undong programs. Players and visions, activities and systems, incentives and capacities, and dynamics among the actors and institutions will be viewed with 4 linking concepts. Various managerial tools were exploited in initiating and continuing the new innovation at the village level, the regional level, and the national level. The interplay of the context and the movement was evaluated as superb. A dynamic interplay of the environmental variables and implementation activities of Saemaul Undong was backbone of the success.

II. Government Policies and Success of Saemaul Undong

Several public policies taken by the governments during 1950s and 1960s have been known as effective for national development and its results have gone on for a long time. The policies contributed in forming a solid foundation for national development could be found in 1950s and 1960s: the 1st Rhee Syngman, the 2nd Jang Myeon, and early phase of the 3rd Park Jung Hee Administrations. Out of many government initiatives, the primary policies which had close relationship with the success of the Saemaul Undong includes farmland ownership reform, establishment public common (popular) education system, initial stage of industrialization policies, five-year economic development plans, 10 year national land development plan, export driven policy, and so on.

Of course, these policies and programs were not designed for the sole purpose for Saemaul Undong. But the outcomes and entire effects of those policies and programs constituted contextual variables which enabled smooth progress of Saemaul Undong. Some aspects of those policies, when they turned out to be effective, worked as an energy source for paving road ahead for Saemaul Undong and others might have become synergy factors of the Saemaul Undong. And several policies, for example, farmland ownership reform and universal education policies, constituted ingredients

of the base for rural development and foundation for national modernization to take-off. In that sense those policies constitutes meso-level environment.

Specific policy tools and outcomes might have interrelated with many sub-components of Saemaul Undong: land ownership and level of education resulted in diverse effects in changing many aspects of village life. Of course, it is not easy job for a researcher to find out meaningful relationships among the involved policies and their effects in relation to Saemaul Undong and rural community development, in general. Not to mentioning the causalities between certain policies and success factors of Saemaul Undong, identifying related variables, discovering social situation, and policy substances requires significant collaboration of experts from diverse areas. Also, micro environmental analysis should be carefully carried out in relation to the initiation, execution, and performance of Saemaul Undong.

However, a macro aspects of social, economic trends and major government policies related with rural development help furthering the understanding the success of Saemaul Undong. And this approach has a unique utility value when the Korean Saemaul Undong in 1970 is to be transferred to the other soil with different social, economic and cultural fabrics. The arguments for the importance of related government's efforts made in this paper can be used in transferability study of Saemaul Undong. Also, a caveat must be kept in mind that all the positive elements of then Korean society should not be mobilized to justify the progress of Saemaul Undong. Causality-based arguments should be accumulated for smooth transferring of the Saemaul Undong to foreign soils.

III. Foundations for National Development

1. State Building and Establishment of Government

Korea belonged to a poor region due to its mountainous geography and lack of arable land and natural resources. Confucian culture dominated for long time and the society was divided into basically two classes: about 5-10% of the population

belonged to the ruling class of education and wealth, and 90-95% of ordinary and servant classes who were economically destitute and humble origin. Any upward mobility was forbidden due to lack of opportunities of education and forming wealth through land cultivation and retail business. Practices of usury was widespread, and rural villages looked like nests worn out by poverty until 1960s.

However, after independence from the Japanese colony of 36 years, the people began to realize the importance of standing up their own two feet. Many studies found the beginning of minor metamorphosis of modern Korean society traced back to late 1940s after independence. After the liberation from Japanese occupation in 1945, the sovereign Korean government was established in 1948 only in the southern part of the Korean Peninsular: it ended monarchy and established republican government. There was 3 years of the U.S. Military Government (U.S. Army Military Government in Korea) during 1945-1948.

The 1st Republic, the Syngman Rhee administration, inaugurated in 1948 amidst social confusion and political chaos. On July 12, 1948, the Constitution of the Republic of Korea was proclaimed and the independent Korean government was established on August 15, 1948. The government adopted liberal democracy as its political ideology and a strong presidential governmental system combined with the partially parliamentary system as its governing structure. The Rhee administration lasted until April 1960 (12 years) of the student lead April Revolution. The new governing system was intended to guarantee a government based on people's free will, freedom of speech, the press, association, and religion. During the 1st Republic, the Rhee administration attempted purging the country of the ancient regime and vestiges of the Japanese colonial era and abolition of the old social status system.

2. National Security and Mandatory Military Service

The Rhee government attempted to acquire modern defence and security system to maintain its status in the international community. The administration felt imminent threat of invasion from the North Korea. The roles of the armed forces and national police forces was focused on the ensuring security against the North and upgrading

social order by cracking down domestic disturbances and riots. The size of the armed and police forces had expanded their respective organizations and manpower since the Korean War (1950-1953). Especially, the U.S. helped development of the armed forces during and after the War, and the ROK - U.S. Mutual Defence (signed on October 1, 1953) accelerated modernization of the armed forces.

In a war-torn society, a mandatory military service system for all Korean young men had been firmly established. At the early stage of development, the compulsory system contributed to physical train the young men, and later stimulate the modern organizational behavior, and tough spirit. It also introduced the value efficiencies and modern management skills to organize human resources for efficient collaboration.

In the Korean military, modern planning and management techniques were introduced from the U.S. military and a large number of competent young lieutenants were trained in the related institutions in the U.S. Many scholars agreed that high-ranking officials in the Korean army were equipped with modern methodology of handling organizations and financial resources. They became one of the two pillars of specialized human resources in the early 1960s with civilian college graduates. Young rural veterans, once trained by those elite officials, became a homeland reserve manpower of rural development.

3. Human Resources: Universal Education

The Rhee government, despite all the unfavorable and adverse circumstances, carried out historical tasks of nation- building by establishing essential modern governance systems, legal system, governmental apparatus, education system, and transmission of cultural heritages. The legal systems, not to mentioning the civil and criminal law systems, formed the basis of everyday life of liberal and democratic society both in form and contents. Especially the government concentrated then scarce resources to undertake nation-building tasks by upgrading miserable living conditions of the people and formation of modern education system.

High aspiration for educational and cultural advancement was all Koreans

tradition. (MaCune, 1966) In addition to the magnificent obsession of Korean for education, parents' recognition of the value of investing in the children's education in another factor that contributed early development of human resources. As the government signaled introduction of modern educational system, the tremendous Korean zeal for children's education resulted in the mushrooming of schools not only on the elementary level but also in the higher levels of schooling. In this context the government regarded education as a cohesive force in the rehabilitation of the nation.

A Centralized education system was introduced with a national curriculum, status guaranteed teacher, and government approved text books for primary and secondary schools. Universal compulsory education with free of charge was promulgated in the constitution, and the government emphasized the importance of modern education. Even the private schools, in those days, did not have much autonomy. The government adopted a 6-3-3-4 schooling system and declared that 6 years of universal education at the primary level. In order to eliminate illiteracy, the government also extended adult education.

Many foreign observers and participants of rural development programs showed difficulty of understanding the high level of Korean parents' enthusiasm for educating their offsprings. There seems a culture barrier to reach at the full understanding on this matter. In Korea, there was centuries-old conventionality of respecting education and men of letters under the influence of the Confucian indoctrination. Respect and veneration for the learned person or literary saga have had a long history. The respect for the tradition has been reinforced by recognizing the fact that social status and economic positions in Korea has been closely inked to the level of educational attainment. (Kim, 2014. 122) In spite of the 1950s-60s poverty and illiteracy of elderly generations, the popular regard for scholarship and education is so great that their sacrifice of own standard of living were gladly met.

The Korean people lived through life's ordeal: they experienced colonial occupation which was notorious for the ruthlessness, 3 year foreign military rules after independence, the 3 year Korean war, and social and political chaos after the division of the country between the South and the North. The people, under

the yolk of personal distress and social chaos, have begun to eventually realize that education, i.e., individual ability, is one of the most critical factor for personal surviving and advancement. Many people conceived of higher level education for their children as a sort of general insurance policy against unknown hazards in a rapidly changing situation.

Even in a remote rural area, the government established elementary school and middle school in accordance with location of the children. Until now a teacher, whether she/he teaches at elementary, middle, or high school level, enjoys respect and reputation. Education enabled opening up children's eyes and listening to outside changes. With education, children were able to look into themselves consciously and, for some deviant cases, contend against the tradition and fate given from outside.

IV. Contextual Policies of Priming Water

1. Farmland Ownership Reform

During the 1st Republic, the Rhee government had made decision to reform long lasting institution of farmland ownership and cultivation rights. Before independence, farmlands were owned by the Oriental Colonization Company or Japanese Landlords, and natural local landowners. Majority of the Korean farmers at the time had no their own arable land in their exclusive possession.

President Rhee made it clear in 1948 that farmland ownership reform should be implemented without any hesitation in accordance with the "Land to the Tillers" principle: farmland should be owned only by the agricultural - sector workers and farming corporations to prevent the speculative ownership of farmland by non-farmers. The Rhee administration remained committed to the reform throughout the 1950s and the reform concluded in the early days of the Park administration in the 1960s.

In responding to the socialist land reform in North Korea based on the

principle of “Free Confiscation, Free Distribution”, the government ended up keeping the principle of “Paid Confiscation, and Paid Distribution”. In reality the price paid to the old landlords was very low due to outbreak of the Korean War, and it’s resulting inflation, insufficient government funds, and delay of compensations. The upper limit was set about 30,000 m² (9,000 pyeong) for the current landlords, and resulted in about on average 10,000m² (3,000 pyeong) for the tenants. The tenants should pay 30% of the annual crop production for a period of 5 years. Due to war, a host of impediments hindered smooth proceeding of the reform, and the transition of the properties of the landlord class into industrial capital, which was one of the focus of the reform, did not fully materialized.

Farmland ownership reform enabled small farmers to pour their entire time and energy for diverse production of food stuffs. They showed a strong attachment to the new land asset that they can control at their disposal. The small farming land provided mental opportunity for the poor farmers think about their families’ futures; When they got over the hump of the subsistence level, parents began to pay attention to futures of their sons and daughters. Families, who first time cultivate their own land, had tries to find ways to increase productivity. With increase yield, they were able to send their sons and daughters to school instead of the paddy field owned by landlords.

Even the reform was not carried out as intended, it is true that it had realized for the large mass of the people to work on their own farmlands, and were able to generated revenue. The reform led to an increase in number of legitimate farmers and reduction of inequality in landownership. An egalitarian rural community, it was long-cherished dream. After owning the farmland, they were ready to taking up a next challenge.

2. Urbanization and Productivity Increase in Rural Area

Before 1960, about 80% of the population had been engaged in agricultural sector. The young people in 1960s in rural area were somewhat educated even at the lower level of education and had latent talents. But many of them still rolled

around countryside, idling away during off farming season. As society became stabilized and introduction of industrialization programs in major city areas beginning early 1960s, people, especially younger generation, quick-wittedly, moved to newly building factories and construction sites in the newly booming urban areas.

In 1960 the urbanization rate was about 30% but the rate has risen to 50% in 1967. In the agricultural sector, there were a huge number of under-utilized men and women because of limited farming land and seasonality of the farming industry. These latent people had opportunity to move to urban areas and find jobs in the newly operating industrial complexes and urban construction sites. In this period, the Korean economy recovered to pre-war levels. Yet due to socio-political uncertainty hindered orderly management of national affairs and the economy remained unbalanced, and inflation continued to grow out of control. The early stage of industrialization from the middle of 1960s needed many medium skill level workers in the urban light industries, such as, rubber shoes (including sneakers), textile, wig, building materials, and food processing.

A social trend was to be made: urban migration of rural young people with elementary and middle school education. Majority of them came from the family of seven or eight who could not find productive jobs in their home town and were not able to contribute home economically. They joined urban workforce needed in big factories run with high level of management and technology. They sent large portion of their monthly incomes to families back in the countryside homes. With those money the family could buy household goods, remodeling old fuel- inefficient kitchen, and thatched hut. Slate and tile roof at the time meant modernization. The money enabled their brothers to continue next stage education. The family felt virtuous circle, facing positive images of modernization the government delivered.

Also the government tried to introduce new high yield varieties of rice. By 1978, the new type of rice with increased rice crop accounted 76%. In the years 1971 to 1978 (during 8 years), the rice production increased by a staggering 50%. The government, also, introduced double rice price system: buying at a higher price from farmers and selling to lower price to urban consumers. By subsidizing

the new variety rice, the government realized the planned goal of rice production enlargement.

3. Forward Looking in Rural Household

In 1950s-60s, the governments tried to ban then widespread practice of usury in rural villages to reduce the burden of the poor family. The rural poor at the time often borrowed money from money lenders at high interest rates. The usurious practice pushed poor farmers into chronic poverty. Also, in 1961, the government established 'local agricultural cooperatives' nationwide which issued bonds to money lenders with lower interest rates. The cooperatives became new institutions with two important functions: one as money lenders in rural areas and the other as nationwide network of spreading innovations in agricultural cultivation.

The meaning of the future, to the farmers at those days, went with their offsprings in the Confucian culture. When the families with small farmland realized higher productivity, they were able to send their sons and daughters to elementary school and middle school which had been well institutionalized by the government. School education has played a key role in preparing for entrance examinations for the government, public corporation, and many private companies. Almost all of the modern career jobs required passing of written employment examinations, which were based on the curricular in school system.

〈Table 1〉 School Enrollment Rates

year	primary	middle	high	tertiary
1951	69.8	n.a.		
1959	96.4	n.a.		
1970	96.0	36.6	20.3	5.4
1980	97.7	73.3	48.8	11.4
1990	100.0	91.6	79.4	23.6
2000	97.2	95.0	89.4	52.5
2010	98.6	97.6	92.4	70.1

Source: Korean Educational Development Institute, 2015

The primary school education was universalized in 1957, middle school education in 1979, and high school education in 1985. The following table shows school enrollment rate (student/ school-age population in %).

The government has been lacking of financial resource to take entire burden of the universal education. The government were able to reduce the burden by enlarging the class size and asking parents to contribute to support schooling: the normal class size in 1960s was over 60 and number of student per teacher also exceeded 60 at those days. It is remarkable that the parents were ready to share burden of costs of books, meals, uniforms, transportations, and other some school equipments, when considering the low level of income in those days. During 1960s the per capita income was \$120-\$200, and during early half of 1970s it was \$200 - \$400. Average income of rural household was about 60% of the urban household income.

Although statistics are nor consistent nor correct, the followings are found in the previous studies. The central government could provide on about 15% of the fund required to finance primary schools, the local government (provincial board of education) only about 10%, and the other 75% of the fund for local schools was collected through Parent-Teacher Associations. A study estimated that as of 1971, the parent's financial contribution amounted 26% of the elementary school expenses. (Chung & Nam, 1973, p.24) Even in 1974, when Saemaul Undong began to take off, it was estimated that 28% of the expenses for compulsory education was collected through PTAs, which meant the share of dues levied on the members of families was quite high. (McGinn, 1980: 12)

In the mid-1960s, the revolution group paid attention to get rid off deep-rooted evils, such as, bully, gambling, moonshine, filthy stories, and superstitions which pushed people into chronic poverty and helplessness situation. Strict regulations for moonshine, gambling, reckless deforest and secret felling of trees were carried out for a long time by the hands of authoritative state machines.

In order to overcome other difficulties in traditional rural areas, the government carried out various plans for modernization. That includes introduction of family plan for birth control, installing local health centers, 4H movements for rural young men and women with outstanding talents, agricultural

cooperatives for financial help and innovative cultivation, and even a unique frugality movement by saving a handful of rice before cooking, and so on.

Many young men and women with vision left for urban industrial areas. And in the agricultural sector, even with reduced number of family, who stayed in the farming area, farmers were still able to cultivate farmland without loss of total yield. In 1961, the unemployment rate was known as 25.2% of the total economically active labor force of 10.7 million. (EPB, 1962) But the rate was rapidly decreased as economic development plan was implemented nationwide.

At the national level, productivity grew very steeply and new capital could be accumulated. Laborers, with moderate education and skill level, who were relocated from rural area to urban area enabled yielding additional income for each household and forming additional capital accumulation in the national economy. Diligent farm family could save a certain size of capital to invest in acquiring additional farmland and some were ready for moving to urban areas for better condition. They perceived the true meaning of diligence and frugality, and the practice became the root of worker propensity in Korea.

4. Comprehensive Economic Development Planning

Actually, the Rhee government formulated the Office of Planning for the 5 year plans for material mobilization, and economic rehabilitation. It also installed the Ministry of National Rehabilitation, Economic Board for advisory support, and the Office of Foreign Capital. These government organizations built the platform for the postwar recovery projects. Their performance was not so successful because of lack of sufficient capitals, technologies, and experienced professional bureaucrats. (KIPA, 2015: 68-69)

The 2nd Republic (1960-1961) took a more receptive and moderate attitude towards the diverse political desires of the people, and lasted only less than 1 year (between the demise of the Rhee government by the April, 1960 Student Revolution and Military Coup, May, 1961). A significant number of households ran out of food for several months of spring. Even in the late 1960s, some 300,000 households did not have enough food every spring, known as 'barley hill (season)'.

The 3rd Republic, actually opened in 1961 after the military coup and lasted until the 1972 Yushin (the October Revitalization Reform), has signaled the emergence of new administration for driving substantive modernization programs. And the 4th Republic, until the demise of president Park Jung Hee, continuously devoted to modernization programs.

Unlike military coups in other countries which mainly challenged political advancement, the Korean revolutionary military pledged they would concentrate on economic development. Up until that time, people faced everyday economic flight inherited from the earlier generations. Therefore, without substantive progress in economic development, the new military elites could not legitimize the so called 'military revolution'. In addition, civilian public officials who were groomed while studying or being trained abroad started to return and took their posts in the economy-related ministries and agencies, they grew as professional bureaucrats specializing in formulating and implementing an economic development plan.

The 3rd Republic, born through military coup, established the Economic Planning Board (deputy prime minister for economic affairs) in the government for a comprehensive nationwide modernization planning. It had worked as a designer, control tower, and linking pin of economic development plan, and lasted from July 1961 to 1994. Korea's first five-year comprehensive economic development plan was inaugurated in 1962, in the next year after military coup. The central government played a key role in formulating policies and developed many policy tools needed in a 'top-down' fashion execution of those policies. In the preparation of the economic plans, the Economic Planning Board, with vice-prime ministerial status, exerted leadership in coordinating diverse sectoral policies prepared by each pertinent ministry.

The following table summarizes values and key policies in the economic plans during 1960s and 1970s.

〈Table 2〉 Economic Development Plans: Values and Policies

	Values	Key Policies
1 st Phase (1962-66)	self-reliant economy	rural income and agricultural production energy source and electricity production key industry and social overhead capital increase of employment, balance of trade restrain population increase advanced technology
2 nd Phase (1967-71)	acceleration of self-reliant economy	food, forest, fishery and rural income industrial sophistication (steel, machinery) export and trade balance science and technology advancement
3 rd Phase (1972-76)	harmony between growth & stability	development of rural & fishing town noticeable increase of exports heavy and chemical industries
4 th Phase (1977- 81)	growth, fairness efficiency	self-reliant growth structure and industrial sophistication social development, fair distribution living environment technological innovation

Source: EPB whitebook, 1995

As can be seen in the above table, the 1st economic development plan put emphasis on upgrading of agricultural sector and expanded construction of social overhead capitals. With the successive performance of the 1st plan, the 2nd plan contained a bit ambitious goals and policies. With a steady speed of industrialization in 1960s, economic conditions in the rural areas fell behind, widening the income gap between the rural household and the urban household.

The government initiated the nationwide campaign for family planning in 1962, and restraining population increase was one of main concern of the government of during and after the 1st five year development plan. Thanks to the intimate participation from the young women, the average growth rate of the population decreased significantly. The population growth rate fell down from 2.9% in 1960, to 2.2% in 1970, and finally 1.5% in 1973, exceeding the planned target. The decrease might have been realized through rapid urbanization, higher level of education, positive participation from young mothers and fathers. Throughout the early stages of economic development planning era, the government urgently looked for mobilizing financial resources needed in rural development, social overhead capital formation, and various industrialization projects. At the time the government mobilized much-needed capitals through high level of domestic savings, foreign capital through loans,

remittance from abroad, foreign aid, and FDI (foreign direct investment).

The installation of the 5 year economic development planning system deserves brief mention in relation to the context of Saemaul Undong. The economic development planning system had been operated for more than 30 years after 1962 and some programs of Saemaul Undong, which was initiated early 1970s, have been integrated into the planning system. In the early 1970s, the performance of the planning system reached its peak, and majority of Korean began to work with the government under the favorable auspices.

Even with these economic development, the situations in agricultural, fisheries, and mountainous areas were not improved significantly. The gap between the rural area and the urban had been continually widening in terms of income, living conditions, and many dimensions of social life. By 1970, the average income in the countryside household was merely about 60% of the urban household. The life in the cities had begun to enjoy home electricity, tap water, briquette fired kitchen, public transportation, telephone, radio and television. Except for a few areas, the general rural conditions had not been able to hold a candle to changed city areas with small thatched roof cottage, straw fired filthy kitchen, muddy track, and medical disorder.

The president and his elite group realized a critical juncture for rural development has arrived. With reputation of high level of economic growth, they had confidence of challenging remote area development. Formal Saemaul Undong, as a nationwide rural development government plan, started in 1972. Its origin could be traced back to the year 1962 in several natural villages in Kyungnam, south eastern part of the peninsular, and rural areas of several East Asian countries. At the time they may be called call 'new village warm-up'.

5. National Land Development Plan and Highway Construction

In November, 1962, the government asked each ministry came up with its own 'comprehensive national land construction plan.' The government understood the importance of efficient management of territory. Economic productivity and living conditions depended on the systematic utilization of national land. The

government paid a keen attention to nationwide long-term plan centered on the development of urban dwelling areas, rural and fishery towns, and key industrial areas. Each area was designated with unique function and the government specified construction projects.

The comprehensive National Land Construction Plan Act was promulgated on October 14, 1963, which enabled nationwide land use plan including urban as well as rural areas. Specifically, the first Comprehensive National Land Development Plan, which covered 1972-81, was aimed at realizing the balanced development of all the lands in the country, balanced development of agricultural sector and industrial sector, and concrete design of land by dividing the country into 4 large areas, 8 medium-sized areas, and 17 small areas. According to this plan, expressway, railroads, ports, and industrial sites have been built.

Simultaneously the government decided one of the most important infrastructure programs: building a highway in 1968-1970. The 428 Km Seoul - Busan highway was built first time in Korea in only 2.5 years. At the time there were intensive and vivid oppositions from political opponent groups, and dubious and faithless conducts in the civil society. But the president was determined to prove how the highway would provide a good lesson to the all Korean people if it is built in a couple years. He urged the government to mobilize related material as well as financial resources. The rapid building process and extensive use of the highway thereafter worked as a psychological and spiritual socialization to inspire a nation to move forward with persistent goal of economic modernization. (Kim, 2009: 114)

With these nationwide construction projects, construction companies were developing. When the crude oil prices went up during the first oil-shock, many Middle East countries, such as Saudi Arabia, Kuwait, United Arab Emirates, and Qatar, began to build sea ports, airports, highways, government buildings and commercial and residential buildings. So called 'special Middle East oil money' opened international construction bidding process, and the Korean construction companies were successful in participating the construction projects.

Labour intensive construction company recruited many rural young men, many of whom were under 'disguised unemployment,' as construction site workers. They worked hard and their earnings become foreign remittance sent to their rural

families. At the high level of disguised unemployment situation, the money the latent young people earned would be purely additional income. Foreign currency was scarce at the time and the government was able to make efficient investment.

During the 1st and 2nd economic development planning periods, the economic growth rate were on average 8.3%, and 11.4% respectively, and resulting in 9.9% growth rate during the 8 year planned period. These performance is comparable to the rates realized in Japan and Taiwan for the period of 1960s. With the enlarged economic capacity after two periods of economic development plans, leaders as well as people were confident for next step challenges.

V. Interplay of Contexts and Saemaul Undong

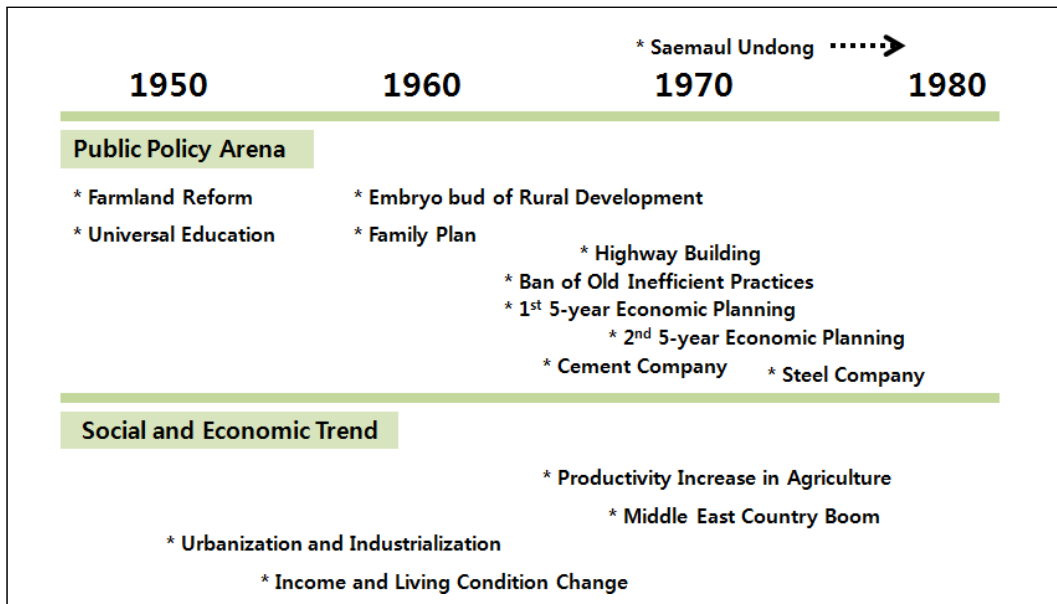
1. Interplay

1960s has been called 'the decade of development.' Many of the merging nations developed very little, if at all, and some slid backward. The exception is Korea. Korea created a viable and working nation-state, revamped and extended school systems, and economic development planning system. However, many scholars mentioned the nation building and institution building are only empty exercise and cannot work as context unless the attitudes and capacities of the people keep pace with other forms of development. (Inkeles and Smith, 1974: 3-5)

In addition to the previous explanations in chapter IV, which was focused on the macro policy-related variables, several variables that compose micro environment should be integrated to come up with a comprehensive explanation of the success of Saemaul Undong. In order to see the whole picture surrounding Saemaul Undong, present major events and policies of development in 1960s and 1970s is presented in time axis. And internal contextual variables of Saemaul Undong will be presented with the help of succinct conceptualization.

The following graph exhibits initiation and duration of related policies in linear time axis.

〈Graph 1〉 Schematic Presentation of Metamorphosis



As can be seen in the above time table of the past trajectory of public policies, there were many considerable elements of foundation furtherance that might be working as pre-conditions for the success of the Saemaul Undong. In the upper part of the graph, major public policies, which have been argued having close correlation with the success of Saemaul Undong, are presented. The social and economic trends, followed by the major public policy implementation, are presented in the lower part of the graph.

With this grand picture in mind, the interplay of macro and micro contexts and internal endeavors of Saemaul Undong will be pursued. With some understanding of the pre-conditions as well as major development of related public policies, which usually were treated as macro environment or context, various activities and tools of Saemaul Undong that compose micro context will be conceptualized. The author extracted out four key concepts which are useful in understanding the dynamics of the interplay among macro context, micro environment, and internal activities of Saemaul Undong.

The author characterize the interplay of contexts and internal endeavors as

4Cs: Consciousness, Communication, Capacity, and Compatibility. The 4Cs moved the Saemaul Undong forward and eventually made a ever lasting legend.

2. 4 Cs of Saemaul Undong and their Activation

1) Consciousness

Can arms of the government, honest -to -God, change people with old tradition of despair and helplessness? It is impossible for a society to move into modern culture if its people continue to live in an earlier era. Without help of self-awakening and help of companion, can people get rid of superstition? Psychology is important because it provides new light on the reasons for what people do and think and feel. Psychology contributed to the construction of modernity, at least in part, by rearranging and displacing a society's previous thinking and actors. (Ward, 2002: 234).

Social change must begin with mind change of the discrete members of the society: villagers themselves began to emerge to perceive, think, feel unlike in the past. Also, there must be a small number of positive deviant determined to make grassroots strategy. It is clear that there were a least a critical number of people who willingly take an active interest not only in those matters which touch their immediate lives, but also in the larger issues facing their rural community. We found that the term of new village movement had been used for years since 1962 in several areas in Kyungnam Province. (Chung, 2014: 132)

Before adopting Saemaul Undong as a formal government agenda, the president, by chance, visited a village in Cheongdo, Kyungbook Province, which had huge flooding damages, on August 4, 1969. The villagers voluntarily devoted their labour to rebuilding roads and remodeling houses. On April 22, 1970, when the provincial governors meeting was convened in response to the ongoing severe drought, the president shared the success story of Cheongdo (gun) villages as an example, and announced that he wanted to launch 'New Village Movement'. The government, under the direct leadership of the president, timed policy to coincide with positive attitude of the villager. It was an exquisite touch:

at the exact moment that a baby bird tried to hatch out, the mother bird pecked at egg.

It is also obvious that Philippines, Vietnam, and some other Asian countries initiated their own rural development programs in those days. In the incipient stage, Saemaul Undong belonged to the rural villagers who had consciousness of departure from the long days of bitters of lives. They had been slaves to convention fettered by traditional laziness and passivity. Young villagers themselves, with the aura of positivism backed from education and scent of social change, have will to solve the common problem of the village. Social psychology explains that men are not born modern, but are made so by their life experience. The origin of emergence of their consciousness and will might have traced back to their military experience and heuristic awareness formulated through school education (Gardner, 2004: 133-140). Education and training is one of the most influential determinants in attitudinal change.

Determination might had nestled in the minds of young deviants to repay obligation to their parents who spent much harder time and silently sacrificed for the family. Rural regions were far behind urban cities in terms of income, living standards, employment, productivity, and education level. Their income was merely about 60% of the family in urban area. They emerged to tackle the problem of shortages, including material (physical living environments), economic (income and productivity), as well as cultural (old habits behind the time) meagerness. They were true positive deviants (Rho, 2013: 20). They were ready to fight against fate. Their lives have been thoroughly transformed through nationwide modernization movement.

Also, the president, who was born as a 7th and the last son in a remote rural village and became elementary school teacher before military career, had a strong interest and affection towards rural villagers. He understood from the bottom of his heart the suffering and distress rural people lived in. He intelligently watched the first bud appearing in the spring at a small rural village. The government was skilful in redescribing the emerging village movement sentiments into the concepts of diligence, self-help, and cooperation. The congenial society of positive deviants from rural communities and the public officials absorbed in the movement

eventually made a 'Can Do Spirit' in the Korean society, and they were completely covered themselves up conscious rearmament.

2) Communications

The wide diffusion of the media is one of the best indicators of development. In the early 1960s, rural households could not afford radios. The local operator supplied wired speaker system (cable radio broadcasting) to rural households with subsidized cheap price. Almost all members of rural households were exposed to outside world news through speakers in the front doors of their houses. Only beginning 1970s they can afford to have radios and black - and - white TV set.

As Saemaul Undong was recognized by the government and became a formal government policy agenda that drew the president's attention, almost every mass media extended broadcasting hours to deliver the movement activities (So, 2007:98-99). In addition, the movement had its own rituals, songs, uniform, flag, and medal system. A formal song was composed by the president himself. Even minor issues were heard by the high ranking government officials and many of the stories were known to be reported to the president. The Saemaul Undong activities were hot issues and the progress was top priority in government.

The president presided monthly briefing and check meetings with related cabinet members and local village leaders. The best practice as well as the most successful village leader were extolled in the media and the news spreaded out to all the villages. The proliferation of a variety of centralized and interconnected information system in the nationwide broadcasting network worked as a delivering machine of the social innovation, i.e., the Saemaul Undong. The atmosphere of modernization with detailed pictures and images lingered in the society. Also all the local governments, which were actually local execution arms of the central government, encouraged for the Saemaul Undong leaders visit best-practice villages as an on- the - spot study.

The circle of grassroots learning had been worked. Circulation of informations was a true motivating source, inflaming the base passion and instigating competition. The know-how of mobilizing local resources and choosing a

specific project type had been speedily embedded within a self-reproducing Saemaul Undong scheme with the help of the president and strong commitment of cabinet members in the authoritarian regime.

Specific form of institutionalized practice is essential in order to socialize people who are not familiar with new movement. The president skillfully established control tower at the 4 stages in the government: top council among related ministers, and public and private rural development movement leaders (national and central level); provincial level council (regional level); city, and district level (local level); and Up - Myun - Dong (grass root) level (community level). And in response to the institutional arrangements of the government, the rural villagers established their own self-governing councils in each village. The communication among the participants were instantaneous and nationwide. The institutionalization of the 'National Saemaul Undong Medal System' also contributed to upgrading the status of Saemaul Undong and medal system has been continued and drawn keen interest.

3) Capacity

Systemic approach to evaluate success of a movement requires assessment of capacity of a system to perform certain systemic functions which are oriented to the attainment of certain specific goals. Variation in capacity lead to different results. The unit and scope of project is limited to a tiny natural village. So a single system was usually composed of 50-100 households. Some were lack of competent leadership group and some were fragmented. As of 1970, there was an estimate that there were about 50,000 natural villages, and 80% of 2.5 million farmhouses had rice straw thatch roofs, 80% of them could not access to electricity (they used small kerosine lamps). (Kim, 2009: 91)

Rural villagers, especially their sons and daughters who went out city for new jobs, had opportunity to compare their living conditions with improved urban living environments. The movement, when the government took over the agenda, spreaded almost all natural village over 35,000. The movement had been carried out as a nationwide program, although their specific projects were different.

'Local initiative, and nationwide support' was the key factor of success: Small scale village level projects on the list, with nationwide massive material as well as moral support. At the beginning, the government found that cement was essential in upgrading village living conditions. By luck there were large amount of the cement backlog in the country in 1970. The cement plants had been established and supported by the government for national infrastructure building.

The excessive cement were bought by the government, in amount of KRW 3 billion (USD \$3.28 million) and distributed 350 regular size packs to 34,655 villages at no cost, provided that the cement was used for joint use projects of the village. The government provided a sample list of 20 projects, such as road pavement and building, bridge construction, public bath, well, community center and so on. (Kim, 2009: 89) Specific use was up to the autonomy of the villagers' common consent.

In return for this government free of charge aid, the villagers were expected to make in-kind contributions, and labour. Approximately one-half of the villages was awarded with additional government assistances, in the form of cement, steel rod, and pipes, for their wise and productive use of the cement distributed a year ago. The Villages that failed to meet the pre-set criteria did not receive any further assistances. The government was excited to support modernizing villages and in 1976, 25% of total budget of the Ministry of Home Affairs was allocated to the Saemaul Undong, and it is equivalent to 9 % of total national budget.

The 3 tier system of local governance, central, provincial, local district were evolved into one system involving the functional area of Saemaul Undong. Under the local district, up(small downtown), myun(rural areas), and dong(city area) were direct supervision of the city or district. Although the Korean government realized to establish local bureaucracy independent of the central bureaucracy, the local governments were direct control of the central government at the time. Administrative democracy had not yet begun to sprout. But the capacity of the local bureaucracy was relatively well equipped. Especially, their execution capacity based on the specific formulas of a certain program, with standard operating procedures, was exceedingly good.

Also, a match system of 'a local civil servant for one village' strengthened responsibility of local officials and raised the atmosphere of competition among villages. The system helped forge bond of mutual obligation and peer intimacy between the government officials and local Saemaul Undong leaders. The output of the program and progress of a village had been compared and evaluated based on the easy and simple criteria to facilitate consultation among the participants. The Support from the government had been tied to the performance made by each village. In addition to the dexterous arrangements in the field level, the strong leadership group, made of the president and his reform-oriented elites, were eager to prove tangible performance of their regime in the rural regions which had an inclination toward conservatism.

Of course, there were conflicts and fragmentation among villagers in the process of Saemaul Undong participation. Also, there were villages, although the number was not huge, that showed limited performance and would not be extensively documented. Many villagers were not able to continue their projects after the 1st year review of the projects. However, in nationwide standpoint, the Saemaul Undong contributed rural income increase and upgrading living conditions in rural areas.

4) Compatibility

Here, compatibility connotes harmony and accommodation among major participants of Saemaul Undong. Whether they belonged to the presidential office, central government, local government, or private experts, village leader group, the participants found their appropriate roles in confidence and worked together as a team. Especially, team building among local participants, village leaders, and local officials was important factor for success. Their roles were different and challenging, but, in total, the system of Saemaul Undong worked without serious conflict and inefficiency. Saemaul Undong in 1970s was characterized as harmonious epistemic tranSaemaul Undongtation and complete metamorphosis toward rural community modernization. The secret has come from the fact that the Saemaul Undong was field-based and site specific and self-steering.

If there had not been flame of base passion for better future in the minds of the villagers, leading numerous project sites with heterogeneous participants, without antecedent model cases, would have faced abyss of despair. In Saemaul Undong case, simultaneous change of their consciousness, attitude, and behavior, among the president, village leaders, rural project participants, central government officials and street level bureaucrats, has been carried out. They had a tendency of transforming their collaborative efforts according to the visions set by stage and stage and enabled Saemaul Undong for more than 30 years, rural villages in the earlier stage later towns and cities, and lastly factories and firms.

The government tried to keep the movement autonomous and relatively independent from local bureaucratic machine. The rise of village leaders was encouraged, and remarkably many of the leading figures of Saemaul Undong came from very humble background. (Park and Park, 2012: 48) The ordinary people as well as officials who worked in the government, including the president, was eager to find any seed in a seedbed of Saemaul Undong to raise the flag of emerging motive or immanent will. So competition among villages was promoted and the most successful village and leader were much extolled in the media.

The government and the local civil village leaders together were able to transform amorphous and uncertain stories of traditional rural community into coherent and meaningful modernization history. There were many cases of discordant villages, and internal trouble and excessive intervention by the site officials that hindered progress. But many observers coincide in the fact that they worked harmoniously and their aim was highly backed by synergies the different participants made.

It is really an interesting finding that under the authoritative regime of military revolution, hardened vertical rule in the government structure made a soft and durable linkage with local villagers and street level bureaucrats. Nobody can claim that the local officials were democratically cultured and service oriented in nowadays terminology. But numerous local officials who were in charge of Saemaul Undong program had shown the best practice of horizontal governance which was not heard at those days.

VI. Concluding Remarks

In this paper, the author posited the Korean Saemaul Undong in the contexts of social changes of those days and antecedent public policies the governments had initiated in relation to modernization of a country in 1950s, 1960s, and 1970s. Also, wisdom of combining the previous furtherances and performance with newly emerging movement energy have been, though in abstract level, analyzed in accordance with 4C scheme.

Those can be called as 'the preconditions for take-off' of rural development and modernization. The developing countries which engrossed in social and economic development and modernization are expected to overcome the present ordeal in their own way. The Saemaul Undong in Korea is a database for reference.

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