

**DID SAEMAUL UNDONG INCREASE RURAL COMMUNITIES' INCOME?:
RETHINKING ABOUT SAEMAUL UNDONG'S CONTRIBUTION AND
POLITICAL MOTIVE BEHIND ITS INITIATION**

By

Mulyadi

THESIS

Submitted to
KDI School of Public Policy and Management
In partial fulfillments of the requirement
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TABLE OF CONTENTS

Abstract	
Copyright Notice	
Dedication	
Acknowledgments	
Preface	
Table of Contents	
List of Tables	
I. Introduction	1
A. Research Problem	1
B. Objective of the Research	8
C. Theoretical Framework	8
D. Overview of Previous Studies on Saemaul Undong	18
E. Limitation of Topic	25
F. The Importance and Contribution of This Research	27
II. Method of Study	31
I. Korean Agricultural Performance, Saemaul Undong, and Dual Price Policy	34
A. Korean Agricultural Performance in 1961-1981 and Farmer's Economy	34
B. Saemaul Undong: Its Ideology, Mechanism, and Performances	44
C. Dual Price Policy: Its Characteristics and Performance	58
IV. Saemaul Undong: Its Contribution and Political Motive behind Its initiation	61
A. Saemaul Undong: Its Contribution in Enhancing Farmer Income	61
B. Saemaul Undong: Its Contribution in Achieving Rice Self-Sufficiency	76

C. Saemaul Undong: Its Contribution in Restraining Migration to Urban Area ...	78
D. Saemaul Undong: Political Motive behind Its Initiation	81
V. Conclusion and Recommendation	93
A. Conclusion	93
B. Recommendation	98

Bibliography

Index

I. Introduction

I. A. Research Problem

One of the most controversial issues in Korean agricultural policies during the Park Chung Hee regime was Saemaul Undong. These controversies have been attracting scholars to scrutinize Saemaul Undong from many perspectives. Their work has centered around Saemaul Undong's ideology, its implementation, and its consequences. Many scholars elaborate their arguments on those issues in their studies. To a certain extent, it seems that the scholars are divided into two groups. The first group of scholars consists of scholars who argues that Saemaul Undong enlightened the rural community through socializing self-reliance, cooperation, and diligent spirits (Kim, ed. 1977: 207-235; Choe, 1978). In implementing Saemaul Undong, the Korean government employed a mechanism that empowered rural people by providing wide room for them to participate voluntarily in any projects under the banner of Saemaul Undong (Saemaul Undong Center Training Institution, 2000: 11-44; *ibid*: 45-59; Whang, 1997: 151-183). As a result of the spiritual enlightenment as well as empowerment, Saemaul Undong increased farmer's income and living standards (Park, 1998; Whang, 1981). Meanwhile the second group of scholars argues the opposite. According to the second group, Saemaul Undong was a manifestation of political maneuver in response to declining political support from rural people to the incumbent (Lie, 1998: 109-111, Burmeister, 1988). The incumbent mobilized his officials as well as rural communities through authoritarian method and coercive pressure (Ban, Moon, and Perkins, 1980: 200-280). Under this mechanism, Saemaul Undong generated a

situation in which rural people became wary to be involved in government program, creating a lack of participation, even resentment and cynicism (Hopkins, Puchala, and Talbot, ed., 1979: 133-169; Wade, 1982).

The debate above is important. It could be discerned from two points of view. First is substantial point of view. Substantially, the debate maps about the Korean agricultural politics. It helps to understand social-economic as well as political aspects of Saemaul Undong. Hence, for one who intend to study about Korean agricultural politics, understanding the debate is an alternative gate.

Second is political lens. The debate involves a formal institution. The institution is Saemaul Undong Cntral Training Institute. It was established in 1972 aimed to train Saemaul Undong leaders (Lee and Kim, 1991: 413-414). Currently, its role is disseminating Saemaul Undong ideology. It is conducted through providing scholarship for public policy decision maker from around the world to attend training on Saemaul ideology and its success story. This fact implies that politically the first group is more powerful than the second group of scholars. Regardless of the accuracy of these two group's arguments, in terms of Saemaul Undong's efficacies increase in income per household; support to achieve rice self sufficiency; restrained migration flow from rural to urban areas, Saemaul Undong is interesting to be scrutinized. In terms of enhancing rural community income, the contribution of Saemaul Undong is important to be investigated because in 1969, two years before the initiation of Saemaul Undong, the Korean government initiated dual price policy (Organization for Economic Cooperation and Development, 1999: 48) with the same objective as that of Saemaul Undong,

namely to enhance farmer income (Hopkins, Puchala, and Talbot, ed., 1979: 159). Hence, it was possible that the enhancement of farmer income was not a result of Saemaul Undong but due to dual price policy. Impacts of Saemaul Undong in achieving rice self-sufficiency is also interesting because during the implementation of Saemaul Undong Korea was not able to attain rice self-sufficiency. Korea achieved rice self-sufficiency in 1990s (see table 4.B.1) in the period when Saemaul Undong was no longer implemented. During the implementation of Saemaul Undong, Korea not only less successful to achieve rice self-sufficiency but also less successful to restrain migration flow from rural to urban areas. There was no different trend of migration between the period before the launch of Saemaul Undong and after its implementation. Kim and Son (Lindauer, and others, 1997: 127) have found that in the period of 1965-1970 and 1970-1980 there was a similar migration trend: urban population growth through migration from rural areas.

Those puzzles above in fact were the main features of Saemaul Undong and were a part of its objectives. Achieving rice self-sufficiency has been the dominant objective of Korean agricultural policies (Cha and others, ed., 1997: 477; OECD, 1999: 43). Attaining rice self sufficiency was not only the most important objective of Korean agricultural policies but also one of the goals of Saemaul Undong (Wade, 1982: 18) in addition to increasing farmers' income (Hasan, 1976: 159; Kim, ed., 1977: 208) and restraining migration flow to urban area (Ban, Moon, and Perkins, 1980: 275; Hopkins, Puchala, and Talbot, ed. 1979: 153; Wade, 1982: 18).

Increasing farmer income in the period of the initiation of Saemaul Undong was a crucial demand because there was a wide inequality of income between rural community and urban people (Lindauer, and others, 1997: 131). This income disparity occurred because Park Chung Hee emphasized building the Korean economy through industrial development in urban areas. Through *chaebol* companies, the Korean government tried to develop Korean economy by focusing on export (Lie, 1998: 75). Many scholars argued that from the late 1960s until the 1970s, the industrial sector achieved high performance growth. According to Krueger (Cha, Kim, and Perkins, 1997:313), from 1964 to 1973 Korean Growth Domestic Product (GDP) grew at annual rate of 10.5%. This achievement was not separate from the efficacy of export performance, which grew annually almost 40%.

The successful industrial development, unfortunately, was not accompanied by the high performance of agricultural sector. Agriculture has lagged behind compared to the industrial sector (Kim, ed. 1977: 206; Ghai, and others, ed. 1979: 32), and the performance of agriculture actually declined (Saemaul Undong Central Training Institute, 2000: 64; Lee and Kim, 1991: 371). That was why the disparity of income distribution between urban and rural areas was getting worse in the late of 1960s. In that period urban people could enhance their income due to the growth of industrial output while the farmer who lived in rural areas could not increase his income because the stagnation of agricultural productivity. The determinant of low agricultural performance was not only the policy of “growth first distribution later” implemented by the Korean government but also the lack of government attention to the agricultural sector (Saemaul Undong Central Training Institute, 2000: 63; Cha, and others, 1997:

469). However to enhance farmers' income as well as to subsidize urban people, the Park regime paid more attention to agricultural development through initiating dual price policy in 1969 (Lee and Kim, 1991: 380). This attention became more salient later though initiating Saemaul Undong in 1971. Meanwhile, self-sufficiency in rice has been a crucial necessity since 1960s (Cha, and others, 1997: 473). Adequate supply of rice became a first priority in Korean agricultural policies because of national security (Saemaul Undong Central Training Institute, 2000: 94; Anderson, 1987: 14). Hence, the Korean government undertook a range of efforts through many policies to attain rice self-sufficiency. Unfortunately those efforts took a long period. Korea required more or less than 30 years to attain rice self-sufficiency. Korea, eventually, achieve rice self-sufficiency in 1990s, in the period in which Saemaul Undong was not implemented anymore. In case of migration flow to urban area, migration had numerical as well as social-economic impact during 1920s. After the Korean War migration showed a dynamic trend. From 1955 to 1967, there was low rate of migration to urban area so that the population of farmers increased steadily. However, from 1967 to 1975 the migration rate increased, with the result that the number of rural people who engaged in the agricultural sector significantly decreased (Sung, Pal, and Perkins, ed., 1980: 319-321). Taking account of this migration trend, the Korean government initiated Saemaul Undong.

Declining farmer population trends of did not end at that period. From 1970-1996, the Korean population expanded rapidly from 32 million to 45 million but on the contrary, the farmer population declined. In 1965 the number of farmers was 15.8 million; in 1970 farmer population was 14.4 million; and in 1990 declined to 6.7 million

(Saemaul Undong Central Training Institute, 2000: 72). From this trend one could understand the desire of Saemaul Undong to restrain migration flow to urban areas.

However, President Park Chung Hee claimed that Saemaul Undong made a significant contribution to rural community development (Hopkins, Puchala, and Talbot, ed., 1979: 153). In his message at National conference of Saemaul Leaders he stated:

“All these outstanding results are a crystallization of the sweat and labor of all Saemaul leaders and the rural population who have worked in unity and were inspired by the Saemaul spirit of diligence, self-help, and teamwork. In my view, the Saemaul movement (Saemaul Undong)... is the driving force behind the conquest of difficulties and the creation of the new chapter of national history” (Message at National conference of Saemaul Leaders, December 18, 1974, noted by Whang, 1981: 45).

The claim above is the other puzzle aside from any other puzzles mentioned before. What Park Chung Hee claimed seem did not reflect the facts. It was possible that the claim had a political motive. Many authors such as Brand (Sung, Pal, and Perkins, ed., 1980: 275), Kihl (Hopkins, Puchala, and Talbot, ed., 1979: 156), Burmeister (1988: 70) and Wade (1982: 18) believe that the initiation of Saemaul Undong was not separate from political reasons. According to Wade (1982: 18), Park Chung Hee launched Saemaul Undong as a response to losing crucial rural political support in the presidential election. Moreover, John Lie (1998: 54) argued that to maintain the status quo, the Park regime depended on rural political support.

Park not only claimed that the implementation of Saemaul Undong was successful but also propogandized Saemaul Undong (Sung, Pal, and Perkins, ed., 1980.: 275). The propoganda of Saemaul Undong was conducted through many media. Every morning Korean people, could hear Saemaul Undong songs on the radio. According to

Moon and Sul (Cha, and others, ed 1997; 495) one could see the Saemaul Undong flag flying beside the national flag. Saemaul Undong slogans were painted on every public building throughout Korea. On television Korean people could watch the successful story of Saemaul Undong.

However Brandt's observation suggests that those claims as well as propaganda were not supported by valid data. Reports on the outcome of Saemaul Undong project that came to central government were not based on real facts. According to Brandt (Sung, Pal, and Perkins, ed, 1980: 276) local governments tended to falsify their reports. That was because individual promotion of government officials was judged on performance in accomplishing Saemaul Undong project goals imposed by higher agencies. Therefore, in order to reach the target, local government marked-up the outcome of project to paint a false picture of their successful accomplishment.

The facts discussed above expresses the debate among the two groups of scholars. The debate is still going on to maintain each of its arguments. To contribute new discourse on Saemaul Undong, it is crucial to investigate the issues elaborated above.

I. B. Objective of The Research

This aim of this research is to scrutinize the Korean agricultural politics during the Park regime. This research would focus on economic and political aspects of Saemaul Undong. At economic aspect, this research would analyze effects of Saemaul Undong in enhancing rural people income, achieving rice self-sufficiency, and

restraining migration flow to urban to urban area. At political respects, it would investigate about political motive behind the initiation of Saemaul Undong.

In more detail, this research would find out the answer of puzzles elaborated above. These puzzles could be expressed into four-research questions: did Saemaul Undong increase rural community income? The second research question is: was Saemaul Undong enable Korea to achieve rice self-sufficiency? The third one is: did Saemaul Undong restrain migration flow to urban area? The last research question is: What was the political motive of Park Chung Hee initiated Saemaul Undong?

I.C. Theoretical Framework

Saemaul Undong was multifaceted phenomenon. It could be approached from many perspectives. In this research Saemaul Undong is viewed as strategy as well as a policy. What is meant by strategy is Saemaul Undong is assumed as mechanism to develop rural community. Meanwhile Saemaul Undong as a policy, Saemaul Undong is discerned as a product of power holder's decision to respond a certain situation during she/he takes authority. This part would elaborate those two approaches.

I.C.1 Saemaul Undong: A Strategy of Rural Community Development

Many scholars agree that Saemaul Undong was a strategy of rural development. Kim and Son (Lindauer, 1997: 140-141) elaborated that Saemaul Undong as well as dual price policy were strategies of rural development. The reason of this argument is because those two projects aimed to reduce income inequality, increased living

condition, and build infrastructure. Similarly, Park (1998: 2-3) argued that Saemaul Undong was an integrated rural development. That was because the purpose of Saemaul Undong was to modernize traditional rural sector. It was implemented through building physical infrastructure.

In line with those two authors, Whang (1981: 5-6) argued that Saemaul Undong was Korean model rural development. Concept of Korean model of rural development refers to a strategy, which was developed in a specific case. In this sense the case was Korean case. The model was not relied on an academic research or theoretical reference but it was an experimental strategy. Korean government implemented Saemaul Undong through trial and error method.

In this elaboration, Saemaul Undong would be discerned from three theoretical approaches: empowerment, modernization, and income generation approaches. Those three approaches are based on the main features of Saemaul Undong.

Term trial and error mentioned above refers a method without involving a certain planning format. This model was totally different from some rural community development ideas. According to Cernea (1985:15-21), rural development should cover essential stages. The stage consists of project identification, project preparation, project appraisal, project implementation, and project evaluation.

Project identification is a step that refers to an effort to asses potential of particular development intervention. In this stage, collecting social data to estimate the consequence of the project is important. At second stage: project preparation, concept of development potential is transformed into planned sequences of implementation. To do

so, it requires selected data and capability to respond unexpected change and to design alternative strategy particularly for participation. Third stage is to review any project under the preparation stage. The next stage: project implementation and monitoring stage, translating the entire projects undertaken in previous stages. It is necessary to highlight that; the implementation of the entire stages is flexible. It should not exactly as planned to respond any social changes.

In line with Cernea, International Labor Organization (1999) in its elaboration on community based training divide this project into three steps: pre training step, delivery step, and post training steps. Those stages consist of any effort to attract participation from local people in the process of decision-making, gathering information, implementation the project, monitoring, and evaluation. International Labor Organization beliefs that through this model, training project would match with local people need; utilized local resources optimally; and empower local people.

The main idea of those efforts is how to put people in the center of development. This concept suggests method to treat people as subject of development. Many experiences depict that projects were conducted from central level without involving local people at any step of the project. Uphoff (Cernea, 1991: 467-511), in his study about the role of participation in community development project, analyzed 3 projects of integrated rural development in Nepal, Ghana, and Mexico. Uphoff argued that even though those three projects were innovatively designed, the projects were implemented in centralized mechanism and non-participatory planning. Under this approach, those projects were not fit to people. People were less beneficial from these projects. Uphoff,

then, argued that ideally the projects should provide wider room for local people to participate. Participation, in this case, should be involved in the process of decision-making, gathering information, implementation of project, monitoring, and evaluation.

The arguments elaborated above are related to the first approach of community development; empowerment approach. This approach believes that the core concept of community development is empowerment. According to Zimmerman concept of empowerment is:

“Empowerment processes are one in which attempts to gain control, obtain needed resources, and critically understand one’s social environment are fundamental. The process is empowering if it helps people develop skill so they become independent problem solver and decision makers” (Fatterman, *et. all.*, 1996: 4).

In this concept, local people have a wide access to participate at every step of development.

To empower people, it could be conducted in many mechanisms. One of method to empower local people is through providing training for local people. In this sense training is viewed as a method to enable local people to conduct every step of community development. Through attending training local people would be more self-reliant. It prepares local people as decision maker as well as actor of community development. Therefore local people would be able to manage their local resources without depending up on other entities.

At second approach: modernization, rural development is discerned as process of modernization. Rural development, according to Szirmai (1997: 281) is assumed as a process of transformation from traditional to modern community. This process is caused

by economic and technological development. In this sense, the driving forces of modernization are development of technology, commercialization of agriculture, increasing of agriculture wage as well as cash crop and urbanization.

Similarly, Weaver, Rock, and Kustener (1997: 152) argued that rural modernization is a change from traditional to modern. In this respect, modernization theory assumed that there are two categories of community: traditional and modern. Process of transforming into modern society occurs through diffusion of capital, technology, values, and institution arrangement.

Regardless those determinants, rural community would change by itself. Society is dynamic. Since rural community need urban product such as clothes, agricultural input of production, and some other needs, they migrate to urban. This movement enables to reduce degree of isolation and eventually transform rural community. However the direction, speed, and intensity of change would be different from modernization. In this sense, government plays a key role to manage the change so that the change is modernizing rural people.

According to Kim (1996: 56), modernization is an acculturation process. The surge of modernization would be adopted by society and then come to process of indigenous adaptive change. Moreover Kim (1996: 58-59) divided the process of modernization into five stages. First stage is cultural preparedness: refers to capability of a society to prepare for adopting the acculturation. Second is cultural selectivity: is selective response of society to surge of modernization. In this selection a society should be flexible to minimize social contraction. This flexibility is the third stage. It is

called cultural flexibility. Fourth is structural flexibility: is a stage reveals how a certain social structure determine the process of adjustment. The more rigid the structure of society, the more difficult to adjust with the change. The last step is political selectivity: implies selection process conducted by political authority. In this step, role of government to decide: where, when, and how to conduct the modernization is important.

The last approach is income generation. Many scholars such as Adelman and Robinson (1978: 146) and Szirmai (1997: 277) agree that one facet of rural community development is how to increase rural people income. They argued that rural development is designed to increase rural income through raising agricultural production as well as generate non-agricultural sources of income, such as trade, home industry, and services.

To increase agricultural production government build infrastructure to facilitate process of production. It may be in the form of irrigation system and other physical infrastructure. Not only does by building infrastructures but also by undertaking agricultural research and distribute agricultural input equally. Financing agricultural research is important to find a high-yield variety. At the same time, distribution of pesticide, fertilizer, and another input equally is to convince that every farmer has the similar access to gain agricultural input.

Those efforts, however, in many cases enable to increase income inequality between small farmer and large farmer (Szirmai,1997: 267) That is because large farmer has a higher access to gain the input. Since the price of new variety of seed and

other input is relatively high so only large farmer that has a high access to purchase the agricultural input.

The second problem that may occur is that the rural development is more benefited to investor of agricultural input industry rather than to farmer. Since distribution of high yield variety, fertilizer, and pesticide may involve private sector, it is possible that the system is more beneficial to the market. In this respect, role of government to control the distribution is important.

The third problem is rural development could not raise purchasing power of rural people. It is possible that rural development upgrades the nominal farmer income. However it does not increase purchasing power. It happens because the management of price between price received by farmer and price paid by farmer is not on the side of farmer. To fulfill daily need and to get agricultural input farmer has to purchase them in urban area. If the outcome of selling agricultural product could not meet price of urban goods as well as urban services, it is meant that rural development could not enhance purchasing power of farmer. Therefore, definition of income is important. Concept of income, in this research is a term that refers to purchasing power of farmer. Taking account of this fact, it is need to emphasize that rural development should be more on the side of small farmer rather than large farmer, market investor, and urban people.

The above problem in fact occurred in many developing countries. In more detail Lipton stated that:

“It is above of all by cheapening farm outputs that both private and public power transfer saving capacity from agriculture to the rest of economy..... The balance of private power would suffice to tilt the ‘price fixing balance’ in favor of modern urban industry: one or a few big supplier of fertilizer....., able to to

influence total ability and (via advertising) demand for their product, are able to affect its price, as thousand of isolated and competing farmers are not. Moreover, the industrializing preferences of historically 'developing' governments have often led them to transfer resources out of agriculture by cheapening food" (Lipton, 1989: 293).

Adelman and Robinson (86-89) elaborate their opinion on the above problem. According to them, agricultural terms of trade is a concept that reveals whether agricultural sector is benefited or not to other sector. Agricultural terms of trade is a result of ratio between price received by farmer and price paid by farmer. The higher rate of the term of trade the more beneficial the economic system to farmer. It generates farmer purchasing power. On the other hand, if terms of trade is low, rural development engender trickle up effects because agricultural income is transferred to urban. To increase terms of trade, upgrading agricultural production is not the single method to rely on. High production without good management of supply of the production would deteriorate terms of trade. Through high supply it may worsen off to terms of trade. Effort to increase agricultural production should be implemented after terms of trade has already grown up. Determinants that stipulate terms of trade are demand of agricultural production from urban and supply of urban goods and services. Therefore, role of government to manage those determinant plays an important role. In this respect, relationship between rural and urban is the key point of rural development. Rural should not be treated as a separated entity to urban area. They should be as one economic system.

I.C.2 Saemaul Undong: A Policy of Rural Community Development

Saemaul Undong as a policy could be viewed from many indicators (see Burden, 1998: 1). First, it was a product of legalized decision making. Park as reelected president in 1963 and 1967 was the legalized power holder who initiated Saemaul Undong. Second, Saemaul Undong refers to a state intervention to respond a certain problematic issue. Third, it involved mobilization of government official. Park governed Saemaul Undong through employing Ministry of Home Affairs.

As a political decision making product, policy involves political interest. Political actors make their decision relying on their political interest. According to Milner (1997: 35) actor's fundamental interests determine their policy preference. Actors are viewed has certain basic interest. They try to maximize their interest. Therefore if political actor issued a certain policy, this policy may be used as their instrument to realize their interests. This political interest may in the form of maximizing income or maintaining political position.

To retain political position, reelection is the legalized political mechanism to realize this goal. In this sense Milner (1997: 34-35) argued that politicians attempt to get authority through election. In many case political actors choose a policy in accordance with their party platform or campaign promises. However, to win the election, political actors may decide to serve their constituents interests. In other words, consideration on electoral interest may determine policy that implemented by political actors.

Similarly, Lipset (1981: 313-318) elaborated that political party supporter determine party policy. The continuity of ruling power is determined by election. The

ruling power could extend its period of taking authority if its constituents support it . To attract supporters' vote, politicians serve them through policy they are interested in. It is meant that there is a political exchange between politicians and their supporters. Politicians issued a policy in accordance with supporter need. At the same time, the constituents give their legitimacy the politicians to take the authority.

Concept of legitimacy is the political element that is required by power holders. Most of power holders claim that they are the legitimated power to govern. According to Lipset (1981: 64) legitimacy refers to capacity of political system to create and maintain the willingness of populist to admit that the existing political institutions are the right institutions to govern. Without legitimacy, power holder governs their people without gaining voluntary compliance.

Subordinate would obey voluntarily to legitimized order. On the other side illegitimate powers have to mobilize its power to gain obedience. In this sense, it is possible the incumbent exercise its power by pressures. Subordinate may not obey to the order. Populist assume that illegitimate power as a coercive (Coser and Rosenberg,1969: 145). Related to this respect Weber argue that:

“.....every such system attempt to establish and cultivate the beliefs in its legitimacy. But according to the kind of legitimacy which is claimed, the type of obedience, kind of administrative staff developed to guarantee it, and the mode of exercising the authority, will differ fundamentally.” (Weber, 1968: 213)

To gain compliance, according to Goldheimer and Shils (Coser and rosenberg, 1969: 145), power holder may exercise his/her force to influence subordinate behavior either in explicit or implicit method. Explicit mechanisms are manifested in command

and request. Meanwhile implicit methods, or Goldheimer and Shils call it as manipulation employ symbols to influence subordinate. The major form of manipulative symbol is propaganda.

I. D. Overview of Previous Studies on Saemaul Undong

In fact there have been many studies that have been undertaken in Korea to understand Saemaul Undong. However, there is still a limited amount of research which focuses on an inquiry to find out whether Saemaul Undong increased rural community income per house hold, enabled Korea to attain rice self-sufficiency, restrained migration flow to urban area, and revealed the political motive behind the initiation of Saemaul Undong.

A study undertaken by Park.(1998) focused on the contribution of Saemaul Undong to rural modernization. As an integrated rural development project, Saemaul Undong improved the condition of rural villages, raised the living standard of rural communities; and increased agricultural output. Park argues that in the implementation of Saemaul Undong, the Korean government conducted this policy through involving healthy cooperation among ministries. The author also tries to provide formulae for developing countries to imitate Saemaul Undong in their process of rural transformation from traditional rural to modern rural. In another study about Saemaul Undong, Park (Saemaul Undong Central Training Institute, 2000: 9-44) elaborates Saemaul Undong less broadly than in his previous study. In this study Park focuses on the history of Saemaul Undong. In his historical elaboration, Park emphasized that the successes of

Saemaul Undong in improving living conditions and modernizing the traditional village as a result of the government's implementation of Saemaul Undong through democratic mechanisms and its stimulation of participation of rural people. Employing data published by the Ministry of Home Affairs/Saemaul Undong, Park elaborates the project undertaken through Saemaul Undong and the budget spent by government to implement many projects.

From the same perspective with Park, Yu (Saemaul Undong Central Training Institute, 2000: 45-59) explains that Saemaul Undong as a strategy of rural community and regional development. The implementation of Saemaul Undong was facilitated through guidance work which had two functions, namely agriculture extension service and community development. This guidance was an effective instrument to help rural people select a project, mobilize resources to improve their physical as well as social environment, and increase income per household. Yu also emphasizes that the success of Saemaul Undong was not separate from the conducive atmosphere built by government that encouraged voluntary participation of rural community.

In line with Yu, Whang (1981) tries to elaborate the mechanism of governing Saemaul Undong, the performance of Saemaul Undong, and the determinant of the high performance of Saemaul Undong. According to Whang, Saemaul Undong was conducted through close cooperation between one government agencies and others that take responsibility for Saemaul Undong as well as integration between those agencies and rural people. As a Korean model of rural development, Saemaul Undong achieved high performance in mobilizing investment and manpower. The impact of this

performance was that Saemaul Undong improved the motivation of farmers, fostered village leadership as well as farmer participation, and increased farmer income per household. Those mentioned above were the impacts at the level of village. At the national level, the enhancement of farmer income contributed to a decrease the income inequality between rural and urban area. These achievements were due to the well-organized strategy in implementing Saemaul Undong, the dynamics of political and government system; and social transformation in the rural community. A part of another study about the transformation of Korea's economy 1945-1995, Wang (1997: 151-183) argues that Saemaul Undong was a Korean version of integrated rural development. This integrated rural development strategy resulted in remarkable changes. Those changes consisted of the improvement of participatory organization; fostering of development values as well as attitudes of farmers, and improvement of rural infrastructure. The success of rural development was not apart from the commitment of the political leadership of president Park to develop rural areas and reorientation the government system toward rural development.

Ban (Kim ed, 1977; 207-2350) argues that Saemaul Undong was initiated as comprehensive rural development to increase farmer income and improve their living conditions. To achieve these objectives the implementation of Saemaul Undong was divided into three inter-connected aspects, namely spiritual enlightenment, improvement of investment, and increasing income. Spiritual enlightenment was an aspect that emphasized on how to socialize ideal attitudes so that the farmer has the awareness to be more self-reliant and cooperative. Improvement of investment was an effort to improve sanitation in order to enhance living conditions. Meanwhile,

increasing income, according to Sung was an effort to raise farmer income through enhancing rice production. The measure of the Saemaul Undong performance was its magnitude of physical investment and degree of participation.

Similarly, Choe (1978) explains that the objectives of Saemaul Undong were to socialize spiritual enlightenment among rural people, improve living environments and increase rural community income. In doing so, the Korean government implemented Saemaul Undong into three stages, namely the preliminary stage, the popular stage, and the stable stage. The preliminary stage was an initiation and implementation stage to build the foundation of Saemaul Undong and improve the environment. The popular stage was a stage that tried to mobilize rural participation, provide training, and increase farmer income. Meanwhile the stable stage was an institutional stage consisting of inter-village projects, regional projects, and reorganization of village structure. Those stages relied on three philosophical efforts, namely socialization of farmer willingness to improve living environment, raise self-confidence; and cultivation of diligence, self-help as well as cooperation. In this case the government played a key role. Government provided training for and leaders, provided financial and technical support and governed the village development.

Meanwhile Moon (Lee and Kim, 1991: 405-427) argues that the basic ideology of Saemaul Undong was founded on rural enlightenment, social development, and economic development. The mechanism to realize this basic ideology was through encouraging the participation of rural people. They not only did so by encouraging participation, but the government implemented Saemaul Undong also by providing

training and education to foster village leadership. The success of Saemaul Undong was not separate from the coordination between the central government and local governments as well as between one ministry and another. The other factor that caused the success of Saemaul Undong was government support in the form of financial support. The impacts of Saemaul Undong were improvement of living environment, increasing of income, and enhancement of saving rate in rural area. In the last part of Moon's study, he criticizes Saemaul Undong. According to Moon, Saemaul Undong was implemented as a top down mechanism, in an authoritarian way, with a coercive, and hierarchical structure.

In contrast with studies elaborated above, Lie (1998: 109-111) in a part of his explanation regarding the political economy of South Korea argues that Saemaul Undong was initiated as a respond to a decrease of political support in rural areas for president Park. Saemaul Undong was implemented in an authoritarian and coercive way. In addition, Saemaul Undong was implemented as a top down mechanism. Any decisions related to Saemaul Undong were made from the Blue House without involving local governments as well as without involving grassroots.

In line with Lie, Kihl, (Hopkins, Puchala, and Talbot ed., 1979: 133-169) argues that Saemaul Undong was launched as a political mobilization that caused modernization of rural areas. This mobilization had three objectives. Those objectives are spiritual enlightenment, environmental improvement, and enhancement of farmer income. Saemaul Undong, however was not discrete from the political situation in the period of its initiation. In the early 1970s political support of rural communities for Park

was decline. To maintain this political support Park Chung Hee paid more attention to rural development through the inauguration of Saemaul Undong. Unfortunately Saemaul Undong was implemented in an authoritarian way and as a top down mechanism. To govern in that way the government employed the Ministry of Home Affairs, not the Ministry of Agriculture and Forestry, to control over the entire implementation of Saemaul Undong. This mechanism did not encourage participation of grassroots and even produced resentment and cynicism. That was why the government conducted mass campaigns of indoctrination.

Similarly, Brandt (Ban, Moon, and Perkins 1980: 260-280) argues that the initiation of Saemaul Undong was not discrete from political interest. To implement Saemaul Undong the government mobilized all government personnel and tended to blur the functional role of the government and create overlap among the agencies. The government emphasized successful accomplishment in a coercive way, which yielded pressure to local governments. This mechanism caused local governments to provide false reports to the central government in order to could meet the targets in the report. Many projects conducted in rural areas were not appropriate to local people's need caused lack of their participation. The other aspect of Saemaul Undong implementation that is criticized by Brandt was Korean hierarchical structure. Brandt argued that Saemaul Undong was implemented in a hierarchical structure which caused difficulty in horizontal coordination among bureaus and among ministries.

Burmeister, (1988) in his study regarding the Korean state and the green revolution elaborates that Saemaul Undong was a tremendous political maneuver to

maintain the incumbent's status quo through improving infrastructure as well as farmer living standards. In other words, the Korean Government implemented Saemaul Undong to get wider political support. Through Saemaul Undong the government created a competition among villages and dependency of villages on the central government. This dependency was an instrument of the government to control over the entire rural area.

Wade (1982) explains that Saemaul Undong was one of four strategies to increase income and achieve rice self-sufficiency. Through Saemaul Undong the government mobilized rural communities to build physical infrastructure and the government ideology of development. Therefore rural communities would be responsive to government guidance and loyal to the government. In implementing Saemaul Undong, the government divided village into three classifications, namely under-developed village, self-helping village, and independent village. The Korean government, afterwards, encouraged those villages to compete with one another. This competition was a political means for the Korean government to get mass compliance on a wide spectrum of respects. In order to achieve high performance, government mobilized village pressure as a coercive mechanism. The Government determined the variety of paddies as well as imposed targets. If the farmer did not plant the recommended variety, the government destroyed seedbeds. That was why farmers were wary to be involved and tended to resist adoption of any government program. The mechanism of governing Saemaul Undong in the agricultural sector was implemented in the same way as that of the implementation of industrial Saemaul Undong.

I.E. Limitations of Topic

This research is mainly an inquiry into Korean agricultural politics during the period when president Park held authority in Korea. The inquiry will focus on social-economic changes at rural and national levels caused by Saemaul Undong. At the rural level this research will highlight farmer income change. At the national level, it will emphasize the attainment of rice self-sufficiency, migration flow from rural to urban areas, and political motives behind the initiation of Saemaul Undong. Since this research deals with Saemaul Undong, it is necessary to limit which Saemaul Undong is investigated. This is because there were several types of Saemaul Undong. Choe (1978:3) argues that, originally, the Korean government initiated only a rural Saemaul Undong; however, in the process of development Saemaul Undong was expanded into various types of Saemaul Undong. In 1974 the Korean government initiated an urban Saemaul Undong. The Park regime in 1975, then implemented a factory Saemaul Undong, a school Saemaul Undong, and a church Saemaul Undong. In line with Choe, Moon and Sul (Cha, and others, ed., 1997: 495) states that Saemaul Undong began with undertaking projects of environmental improvement. The Korean government expanded scope of participation as well as activities of Saemaul Undong. In doing so, Saemaul Undong was expanded into factory Saemaul Undong, urban Saemaul Undong, and school Saemaul Undong. Since this research is committed to Korean agricultural politics to limit the analysis, this research would simply focus on rural Saemaul Undong. Moreover, technically, the Korean government employed the model of governing rural Saemaul Undong to conduct the other kinds of Saemaul Undong (Wade, 1982: 102). This means that to a certain extent, emphasizing the analysis of

rural Saemaul Undong would be also analyzing the other types of Saemaul Undong.

The limitation elaborated above is the first limitation. The second limitation is related to agricultural products. Ministry of Agriculture and fisheries of the Republic of Korea (1981: 61-102) defines Korean agricultural products into three categories: grain, vegetable, and fruit. Each category consists of several kinds of product. It is difficult to deeply and fully scrutinize all of those products in this research. Therefore, this research will simply focus on rice, a part of the grain category, as the main agricultural product of the elaboration. The reason for limit the inquiry to rice is that rice has been the most important commodity in Korean agriculture (Song and Ryo, 1986: 6; Brown, 1973: 112). Rice has been dominant in terms of cultivated area, volume produced, and contribution to farmer income. Compared with other commodities, rice gets privileges. The Korean government has historically intervened to increase production of rice through many policies such as dual-price policy (Organization for Economic Cooperation and Development, 1999: 47).

In fact barley, wheat, and corn have been protected by the Korean government as almost highly as rice, however rice has been the most protected of the grain products. There are at least two reasons. The first reason is that rice's contribution has been more than 80% of grain production in Korea as well as direct consumption. The second one is that consumer prices are not as distorted as other grain products (Anderson, 1978: 16).

I.F. The Importance and Contribution of This Research

Among several studies elaborated in the overview of the previous studies on Saemaul Undong, none of them undertook a comparative analysis on pre-post implementation of Saemaul Undong in terms of increasing rural people's income, achieving rice self-sufficiency and restraining migration flows from rural to urban areas. Since this research would like to find the answer to these issues, this research is relatively new idea.

This new idea is important to provide an alternative analysis in the discussion of Korean agricultural politics discourse particularly of the Saemaul Undong issue. Pre-post comparative analysis of Saemaul Undong is one of the methods to find out whether there were any changes in the rural economy after the initiation of Saemaul Undong. In other words, methodologically, this analysis would prove whether Saemaul Undong made a significant contribution in those three respects mentioned above. If there were any significant changes, the analysis would lead to another inquiry as to how significant the contribution was. Meanwhile substantially, this analysis is also important because increasing income, attaining rice self-sufficiency, and restraining migration flows were the main major issues in Saemaul Undong as well as in Korean agricultural policies. Therefore if one wanted to study rural community development in Korea one basically should understand this issue.

The comparative analysis of upgrading rural people's income would not only disclose the phenomenon of the enhancement of farmer's income but also the agricultural production rate. This argument relies on the fact that the Korean Government increased farmers' income through enhancing agricultural production

(Lindauer, and others, ed. 1997; 143). This means that if rural community income per household increased, the production of agriculture should have increased as well. If the outcome of analysis shows another result, it is possible that another variable significantly influenced both of the variables.

The above analysis would lead to inquiry of the impact of the agricultural production rate to the rice self-sufficiency and migration flow from rural to urban areas. In the case of attaining rice self-sufficiency, since Saemaul Undong tried to encourage the upgrading of agricultural production, the agricultural production would endow the achievement of rice self-sufficiency. Ideally, the implementation of Saemaul Undong caused the agricultural production increase and at the same time enabled Korea to achieve rice self-sufficiency.

In terms of migration flow to urban areas, logically, Saemaul Undong should be able to restrain the migration. The upgrading of farmers' income resulting from the enhancement of agricultural production should encourage people to live in rural areas. One of the main reasons people migrate to urban areas is to gain a higher income. The other point was because restraining people is exodus to urban areas was one of the major objectives of Saemaul Undong (Hopkins, Puchala, and Talbot ed., 1979: 153; Wade, 1982: 18)

The explanation above shows that the three aspects, which would be analyzed in this research, had an inter-connected relationship. This phenomenon was interesting because the success of one aspect would cause the success of the others or the failure of one aspect would cause the other failures. Since these three aspects were important in

Sameaul Undong as well as in Korean agricultural policies, this inquiry would also be important to provide new alternative discussions. Moreover, this topic as well as the comparative analysis on pre post of the implementation of Saemaul Undong has never been undertaken.

Interestingly, this research also unveil political motive embedded in the implementation of Saemaul Undong. In political discourse any policies issued by ruling power are discerned involving political interest. This analysis is important to understand political economy of the Korean agriculture. During the Park regime the performance of agricultural sector declined. It resulted wide gap between rural and urban people's income. This circumstance eventually caused the political support of rural constituents to Park decline significantly. Therefore, scrutinizing whether park initiate Saemaul Undong was due to the decline support or because another factor is crucial study.

II. Method of Study

This research is a combination of literature review, content analysis (see Denzin and Lincoln, ed., 1994: 464; Schutt, 1999; 356-357), and secondary data analysis (see Schutt, 1999; 403-406). The reason for employing more than one method is to obtain a holistic view of investigated phenomena. In this sense, it is possible to employ several methods either sequentially or simultaneously (Denzin and Lincoln, ed., 1994: 224).

For a literature review the researcher would like to explore any previous studies related to Saemaul Undong, dual-price policies, and other studies focused on rural development and Korean agricultural politics. This part would discuss both left wing and right wing perspectives on the puzzles. To have deep insight for this analysis, the researcher would like to undertake secondary data analysis. Meanwhile content analysis would be used as an instrument to find out the political motives for the initiation of Saemaul Undong. The researcher, in this part, would scrutinize the speeches and other documents written by Park Chung Hee.

In order to enhance the validity of data analysis, the researcher would like to undertake data triangulation (see Denzin and Lincoln, ed., 1994: 214). Secondary data that would be analyzed are statistical data that published by Ministry of Agriculture and Fisheries, National Agricultural Cooperative Federation, and any other data compiled by previous researches on Saemaul Undong. The time period of analysis would cover from 1961 to 1981. The reason for this time period is because 1961 was the starting

period of Park regime and 1981 was the end period of conducting Saemaul Undong (Hopkins, Puchala, and Talbot ed., 1979: 162; Choe, 1978: 8).

The problem with long time series data analysis is that sometimes one period and another period are difficult to compare or even incomparable. That is because one period and another period were published different books in a different format. Because of this problem, it would be possible that some analysis could not fully cover from 1961 to 1981 period.

The method of analysis of the secondary data would be a comparative study pre and post of the implementation of Saemaul Undong. In this case the comparative study would be divided into two parts, namely before the launch of Saemaul Undong, from 1961 to 1970 and after the launch of Saemaul Undong, 1971-1981. However since there were several steps in conducting Saemaul Undong, to have a detailed analysis, the period of the post implementation of Saemaul Undong period would be divided into the number of stages of the implementation of Saemaul Undong.

According to Choe (1978: 9-16), Saemaul Undong consisted of three stages namely the preliminary stage, the popular stage, and the stable stage. The preliminary stage was conducted from 1971-1973 and was a combination of initiation and implementation steps to build the foundation of Saemaul Undong and improve the environment. The second stage, the popular stage that was conducted from 1974-1976, was a step that tried to mobilize rural participation, provide training, and increase income. Meanwhile the last stage, the stable stage, conducted from 1977-1981, was a

stage that implied any efforts to establish inter-village projects, regional projects, and the reorganization of village structure.

Taking account of the above facts, the time period of the comparative study would be divided into the period before the launch of Saemaul Undong 1961-1970, the first step of Saemaul Undong 1971-1973, the second step 1974-1974, and the third step 1977-1981. This time period comparison is important to control the changes in of trends of increasing income. If the trend of upgrading income emerged saliently after the second stage that tried to increase income, it would imply that the enhancement of income due to Saemaul Undong. However if the trend of income enhancement show up before 1969 and the second stage, it would mean that without Saemaul Undong the income of farmer had already increased. In other words, the income of farmers increased not because of Saemaul Undong but due to dual-price policy. Since the phenomenon of income enhancement is inter-connected with phenomenon of rice self-sufficiency, as well as migration flow to urban areas, as explained previously, the outcome of pre post analysis of income enhancement mentioned above would be used as a starting point to scrutinize rice self-sufficiency and migration flow phenomena.

III. Korean Agricultural Performance, Saemaul Undong, and Dual Price Policy

III. A. Korean Agricultural Performance and Farmer's Economy in 1961-1981

Period of 1961-1981 was a critical period in Korean agricultural development. This argument is relying on the importance of agricultural policies that were implemented in that period. The other aspect is there was shift position of leading sector from agricultural sector to industrial sector. These two aspects were interconnected. Agricultural policies which were issued in that period were responding the shift of the leading sector position. Agricultural policies that were implemented were dual price policy, Saemaul Undong, and some other policies. Meanwhile the change position of leading sector was marked by the declining share of agricultural sector and upgrading share of non-agricultural sector into Gross Domestic Product (GDP) (Saemaul Undong Central Training Institute, 2000: 101). This part would only discuss about the performance of agricultural sector. Meanwhile, dual price policy and Saemaul Undong would be elaborated in the next part.

Shin (Saemaul Undong Central Training Institute, 2000: 62-64) argued that until 1960s, Korea was agrarian country. During that period national output was dominated by agricultural sector. However, from the early of 1960s Korean agricultural performance declined continuously. As a result, industrial achievement outpaced that agriculture. That was due to development priority strategy implemented by Park regime emphasized on industrial development rather than agricultural sector development.

Ban (Kim. ed., 1997: 206) explained that in the period 1960s-1970s the agricultural performance decreased. Compare with the other sectors, such as mining and

industrial sector, agricultural performance has lagged behind. In the period of 1962-1971 agricultural performance grew up averagely at rate of 3.7 per year. Meanwhile mining and industrial grew up at rate of 17.9%. The low performance of agriculture was because of low productivity of labor.

In line with those two authors, Lee (and others, ed. 1979: 32) stated that from 1963-1975 share of agricultural sector in GDP dropped sharply. The determinants of the low performance in agriculture were declining population of farmer and low value added per worker.

Table 3.A.1: Agriculture Share in Gross National Product

Year	Share of Agriculture in Gross National Product	
	Current Prices	Constant 1970 Prices
1956	46.0	42.1
1957	44.2	42.5
1958	40.2	43.1
1959	33.6	40.9
1960	35.9	39.9
1961	39.5	42.5
1962	35.6	38.6
1963	41.2	38.3
1964	44.5	40.7
1965	36.7	37.6
1966	33.8	37.1
1967	29.5	32.4
1968	26.6	29.2
1969	27.0	28.7
1970	26.2	26.2
1971	27.0	24.5
1972	26.5	22.8
1973	23.5	20.1
1974	23.4	19.2
1975	24.0	19.2

Source: BOK. *National Income in Korea 1975 and Economic statistics Year Book 1976*. cited by Ban, Moon and Perkins (1980: 14).

Table 3.A1 presented above expressing the same picture as elaborate by 3 authors above. The table reveals the trend of major agricultural share in Gross National Product (GNP) from 1956-1975. In general, either in current prices or constant prices shows the same tendency. At current prices, from 1956-1964 share of agriculture in GNP was fluctuating. Meanwhile at constant prices the fluctuated tendency emerged from 1956-1964 as well. After 1964 both prices depicts that share of agriculture declined continuously until 1975.

At current prices, the highest sharing rate showed up in 1956 at rate of 46.0. The lowest rate, on the other hand, emerged in 1975. From these rates, the total declining rate was 22.0. Meanwhile at the constant prices, the highest rate was at rate of 43.1. It appeared in 1958 and the lowest rate emerged in 1974 as well as in 1975 at rate of 19.2. The declining rate was 23.9.

Comparing agricultural performance in share in GDP with the performance of rice production shows a different picture. A difficulty of statistical data collection bring somewhat problem to compare them. From table 3.A.2, at the second column, it is clear that the comparable period is from 1961-1975. This column of the table presents that from 1964 –1975 rice production did not decline steadily. It was different from the share of agriculture in GDP. In that period agriculture share in GDP dropped down unwaveringly.

Table 3.A.2: Major Indicator of Farm Household Economy

Year	Rice Production	Farmer Household Income	Living Expenditure*	Surplus of Income
1962	3,014,915	67,885	57,719	10,166
1963	3,758,047	93,179	82,111	11,068
1964	3,954,491	125,692	107,751	17,941
1965	3,501,132	112,201	107,439	4,762
1966	3,919,280	130,176	117,105	13,071
1967	3,603,104	149,470	135,311	14,159
1968	3,195,335	178,959	150,960	27,999
1969	4,090,444	217,874	180,532	37,342
1970	3,939,260	255,804	218,024	37,780
1971	3,997,635	356,382	255,233	101,149
1972	3,957,190	429,394	326,193	103,201
1973	4,211,630	480,711	357,567	123,144
1974	4,444,858	674,451	455,380	219,071
1975	4,669,098	872,933	646,002	226,931
1976	5,214,963	1,156,254	788,369	376,885
1977	6,005,610	1,432,809	1,031,983	400,826
1978	5,797,128	1,884,194	1,399,493	484,701
1979	5,564,808	2,227,483	1,776,501	450,982
1980	3,550,257	2,693,110	2,288,012	405,098
1981	5,062,975	3,687,856	2,885,030	802,826

*Counted by summing up taxes and public charges, interest paid, living expenses, and other expenditures.

Source: Ministry of Agriculture and Fisheries Republic of Korea. *Report on the Results of Farm Household Economy Survey 1972 and 1982*, Ministry of Agriculture and Fisheries Republic of Korea, Seoul.

The entire picture of rice production from 1962-1972 shows the production of rice went up and down. From 1972-1977 the production increased unwaveringly from 3,957,190 to 6,005,610. After that period, the production decreased continuously.

From these fact, it is clear that rate of rice production was not the single determinant of agricultural share in GDP. This is right that high production of rice would lead to the high level of share in GDP. However, external factor also stipulated the level of agriculture share. In this case the external factor was the performance of

another sectors as well as their level share in GDP. For instance from 1972-1975 rice production grew up steadily but its share in GDP decreased steadily. This is meant that during that period, the performance of non-agricultural sector increased in rate more than that of agricultural sector.

The declining share of agricultural sector in GDP was followed by the decreasing level of rural people income against that of urban people. Mostly, farmer income derived from agricultural output. On the other hand urban people income came from industrial sector. Declining performance of agriculture sector and increasing industrial output at the same time, automatically resulted shift trend of income of farmer and urban worker. The higher the shift levels the higher the possibility to create income disparity.

Song and Ryu (1986: 2) elaborated their argument that rapid growth of industry in urban area and declining agriculture performance were the factors of widening income inequality between rural and urban people. In the period of 1965-1973, because of those two factors, rural household income, compare with that of urban workers was only 60-90%.

In accordance with Song's and Ryu's opinion, Ban (1975:1) argued that there was a significant inequality of income between farm household and urban workers. This inequality appeared because economic development centered in industrial development in urban area. In 1969 average farm household income was 65% of urban people income.

Trend of income distribution is presented by table 3.A.3. The table shows income inequality in the late of 1960s, as argued by Song and Ryu as well as Ban. In the period of 1965-1982 the highest inequality rate in 1967. From 1965-1967 the inequality rose steadily. From 1968-1974 the disparity rate dropped down. Even in 1974, 1975, 1977, and 1981 farmer income outpaced that of urban workers.

Table3.A.3: Comparison of Rural Urban Household Income: 1965-1982 (in 1000 Won)

Year	A Farm Household Income	B Urban Household Income	A/B
1965	112	113	99.1
1966	130	162	80.2
1967	149	249	59.8
1968	179	286	62.6
1969	217	334	65.0
1970	256	381	67.2
1971	356	452	78.8
1972	429	517	83.0
1973	481	550	87.5
1974	674	645	104.5
1975	873	859	101.6
1976	1,156	1,158	99.8
1977	1,433	1,405	102.0
1978	1,884	1,916	98.3
1979	2,227	2,630	84.7
1980	2,693	3,205	84.0
1981	3,688	3,450	106.9

Source: Ministry of Agriculture and fisheries Republic of Korea. *Farm Household economic Survey, 1965-1982*, Ministry of Agriculture and Fisheries Republic of Korea, Seoul and Economic Planning Board, *Urban Household Expenditure Survey, 1965-1982* Economic Planning Board, Seoul cited by Moon (Lee and Kim, ed., 1991: 393).

In fact in the entire period both farmer income and urban worker income rose unwaveringly. There was no one of the period shows the decline of income either in rural or urban households. However if the tendency is scrutinized, it is clear that from

1965-1967 urban sector grew up higher than rural sector. From 1965-1967 urban household incomes rose 136 while farm household only rose 37. In 1974, on the other hand rural community income increased higher than that of urban people. In 1974 rural household income increased 193 on the other hand urban workers simply rose 95.

To understand the economy of farmer the analysis would go to the surplus of income. The surplus of income is resulted from farmer household income deducted by living expenditure. Taking account of that formula the analysis would include living expenditure of farmer. Since living expense is connected to urban price the analysis would also cover agricultural terms of trade.

Table 3.A.2 depicts the amount of the surplus of income of farmer household. The farmer household income is consisted agricultural and side business income. Since the side business income was only 20% of the total household income (Adelman and Robinson, 1978:85) the analysis would focus simply on agricultural income. Living expenditure, on the other side, encompassed taxes and public charges, interest paid, living expenses, and other expenditures. The table shows that the highest achievement was the attainment in 1966. In 1965 the surplus of income was 4,762 and in 1966 the surplus of income was 13,071. Therefore in 1966 the surplus of income of farmer rose 274%. However this enhancement emerged after the income decreased from 17,941 in 1964 to 4,762 in 1965. It decreased 377%. Compare with the surplus of income in 1964, the surplus of income in 1966 was still lower than the surplus of income in 1964. Therefore the highest upgrading the surplus of income was the increasing from 1970-1971, which attained 268%.

Throughout the period, generally farmer household income increased. In 1965, however, the income decreased somewhat from 125,692 to 112, 201. After this period, the income grew up continuously until the end of the period. The highest rate of enhancement showed up in 1963 and 1981 in which the income rose almost 140%.

The simple logical thought is that farmer household was resulted from rice production so the trend of rice production should be similar or almost similar with trend of farmer household income. If the rice production increases, the income of farmer should rise as well. The fact elaborated above shows different tendency. Rice production had waver trend. In contrast, farm household mostly shows a stable trend. From 1962-1972, in which the rice production went up and went down, in that period, except in 1965, income of farmer grew up steadily. Even when the rice production decline continuously from 1977-1980, farmer income rose unwaveringly.

Since farmer household income has the same tendency as the surplus of income, the above interpretation could explain the surplus of income as well. In this sense, aside rice production, there must be another variables that caused the income of farmer grew up steadily. Those variable and its mechanism in influencing the surplus of income would be elaborate at next part.

Trend of the farmer household income was followed by farmer living expenditure. When farmer household income grew up, living expenditure also grew up. When income dropped down, living expenditure declined as well. The decline of living expenditure in 1965, unfortunately was lower than that of farmer income. Farmer household income dropped down 11%, on the other hand living expenditure simply

decreased 3%. This resulted the surplus of income of farmer decreased higher than declining of farmer household income and living expenditure. The surplus of income declined 73%.

This decline of income was the only one that declined as emerged in farmer household income as well as living expenditure. This minus growth also happened in the same year as farmer household income and living expenditure. In the other periods, from 1962-1981 the surplus of income of farmer grew up steadily.

Since living expenditure of farmer is not discrete from price of urban products, such as clothes, fertilizer, pesticide, and some other needs, this analysis would involve agricultural terms of trade. Since the limitation of data about term of trade, data on that issue would be presented into two tables.

Table 3.A.4 presented below, implies that from 1963-1968 the term of trade was dropped down continuously. After this period, terms of trade grew up unwaveringly until 1973 and eventually declined in the last period. The lowest rate of terms of trade was in 1968 at rate 94.3 and the highest was in 1973 at 11.7.

Table 3.A.4: The Term of Trade for Agricultural Products, 1963-1974

Year	A Price Received by Farmer (140 Item)	B Price Paid by Farmer (49 Item)	A/B
1963	40.1	35.3	113.6
1964	50.2	44.8	112.1
1965	52.2	51.8	100.8
1966	55.4	58.1	95.4
1967	63.5	65.8	96.5
1968	74.3	78.8	94.3
1969	84.8	86.8	97.7
1970	100.0	100.0	100.0
1971	121.4	114.4	106.1
1972	147.9	130.5	113.3
1973	164.2	143.1	114.7
1974	215.6	192.5	112.0

Source: National Agricultural Cooperative Federation. *Agricultural Cooperative Year Book 1975*, National Agricultural Cooperative Federation, Seoul.

The tendency belongs to price received as well as price paid by farmer different from that of terms of trade. Both price received by farmer and price paid by farmer grew unwaveringly throughout the period. Agricultural terms of trade, on the other hand was fluctuate. This fact implies that when term of trade dropped down price paid by farmer grew up higher than price received by farmer. On the other hand, when term of trade grew up, at the same time the price received by farmer increase higher than price paid by farmer. Since terms of trade implemented from 1969, that is meant that from 1969 price of agricultural product was higher than that of urban product.

Table 3.A.5: The Term of Trade for Agricultural Products, 1967-1981

Year	A Price Received by Farmer (199 Item)	B Price Paid by Farmer (59 Items)	A/B
1967	9.3	10.3	90.3
1968	10.9	12.3	88.6
1969	12.4	13.5	91.9
1970	14.7	15.6	94.2
1971	17.8	17.8	100.0
1972	21.7	20.4	106.4
1973	24.1	22.3	108.1
1974	31.6	30.0	105.3
1975	39.2	37.1	105.7
1976	48.7	46.3	105.2
1977	56.8	54.2	104.8
1978	74.0	70.5	105.0
1979	82.1	80.2	102.4
1980	100.0	100.0	100.0
1981	128.2	137.6	99.7

Source: National Agricultural Cooperative Federation. *Agricultural Cooperative Year Book 1982*, National Agricultural Cooperative Federation, Seoul.

The interpretation of table 3.A.5 is same as the above interpretation. That is because those two tables show the similar tendency in all columns. Even more in the over in overlapping period from 1967-1974 present the similar trend.

III. B. Saemaul Undong: Its Ideology, Mechanism, and Performance

Historically, the period of initiation of Saemaul Undong has been still debatable. Whang (1982: 6) argued that Korean government initiated Saemaul Undong in 1970. Some other scholars such as Kim and Son (Lindauer, ed, 1997:143) and Yu (Saemaul Undong Central Training Institute, 2000: 46) stated that Saemaul Undong was initiated in 1971. Ban (1975: 3) clarified about that issue by arguing that Korean government

initiated Saemaul Undong in 1971. One year before the initiation, in 1970 the government carried out pilot project of Saemaul Undong. Choe (1978: 8-12) elaborated that Saemaul Undong started its project in 1970. However, Choe included experimentation project in the first year.

The idea of Saemaul Undong was built by President Park (Kim, ed, 1991: 409, Park, 1998: 3). The objectives of Saemaul Undong, as elaborated at introduction part were to increase farmer income, achieve rice self-sufficiency, and to restrain migration flow to urban area. To achieve these goals Korean government developed Saemaul Undong ideology. This ideology was cultivated to modernize rural community.

According to Moon and Sul (Cha and others, ed, 491-492) and Moon (Lee and Kim, 1991: 409) the basic ideology of Saemaul Undong was rural enlightenment. Through this ideology, Saemaul Undong tried to raise rural community consciousness on self-reliance. It aimed to promote philosophical foundation and socialize rural modernization. The philosophical encompassed of spirit diligent, austerity, thrift, cooperation, and solidarity.

In line with Moon and Sul, Ban (1975: 12-13; Kim, ed. 1977: 213-214) elaborated that the ideology of Saemaul Undong was a spiritual enlightenment. The main purpose of spiritual enlightenment was to induce attitudinal change. This change consisted of effort to cultivate, self-reliance, cooperative and, and self-improvement.

Choe (1978: 17-22) explained that the basic ideologies of Saemaul Undong were willingness to improve living environment and self-confidence. The willingness and self-confident were manifestations of human development aspects.

Method to cultivate the basic ideology as a philosophical foundation, according to Whang (1982: 13-14) was by education either in formal education or informal education. Through informal education, Korean government built formation of values, perception, and behavior. However since some obstacles to undertake formal education such as consuming long time and difficulty of rural people to access formal education, Korea government also provide non-formal education. Non-formal education consisted of training activities on rural health and sanitary, family planning, agricultural extension and leadership.

Moon (Lee and Kim: 413-414) argued that training was a method to equip potential Saemaul leaders. The leaders were chosen to become agent of change in rural areas. In this training the Korean government encouraged trainee to participate in Saemaul Undong and cultivate the basic ideology as well as strategy of Saemaul Undong. In 1975, the training was expanded to social-political leaders such as cabinet member, religion leaders, professor, journalists, and manager of business corporation.

In contrast Kihl (Hopkins, Puchala, and Talbot, ed., 1979 : 152) expanded on that training delivered by government for Saemaul leaders was not to equip them but for indoctrination. Government exploited the village leaders as its instrument to modernize rural people. Moreover, Kihl (Hopkins, Puchala, and Talbot, ed., 1979: 156) stated that the implementation of Saemaul Undong did not enlighten rural people but to maintain political support of rural people. Rural people, traditionally always contribute their political support into the incumbent rather to the opposition. However in the presidential election in 1971, rural political support to Park Chung Hee decreased. As a result, in the South Western part of Korea, Park Chung Hee was defeated by his

opposition Kim Dae Jung. Responding this falling down of political support, President Park launched Saemaul Undong.

Wade (1982: 18) argued that since there was a wide gap between rural and urban income per household, as the expression of rural people disappointment, there was a decline of rural support for Park in the presidential election. This fact was one of the factors that suggest the incumbent to initiate Saemaul Undong.

Meanwhile Brandt (Sung, Moon, and Perkins, *ed.*, 1982: 275) argues that from the start of Saemaul Undong, Saemaul Undong had political overtones. The objective of Saemaul Undong was to upgrade income per household and quality of life by promoting cooperation, self-help, and transformation of conservative rural attitude. Even though government was simply invest its budget in Saemaul Undong project small proportion of total expenditure, the propaganda of government has been intense. That was because of presidential election. To get support from his people, Park had to eliminate one defect of his effort in developing his country, namely, wide disparity.

Besides built Saemaul Undong ideology, Korean government also developed a networking system. This system covered a structural relationship from central government level until village level. Moon (Lee and Kim, 1991: 415-416) elaborated that Korean government established a well coordinated networking structure among government agencies. Government set up village as lowest level, *Myon* (township) as the second lowest level, afterwards county as third level, provincial level as forth level, and central level led by Ministry of Home Affairs was the highest level. Each level, from lowest to highest level had authority to carry on its responsibility. The lowest level

might identify its project need and proposed the project to higher level. It screened at the higher level and then submitted to the upper level. This procedure was repeated at every level and eventually would be reviewed by central government.

From the same perspective as Moon, Whang (1981: 17-18) argued that Korean government built a productive role of local government. Local government had an authority to carry on its tasks to fit them into the village condition under the guidelines of central government. This system helped local government to determine their project need. The other advantage points was local government was more accessible to local people therefore easier for them to improve their relationship.

Wade (1982:101) had a different opinion with Moon and Whang. He argued that local government did not have any authority to conduct any projects in its region. Saemaul Undong expressed a policy that directed from center. Government managed Saemaul Undong by utilizing local leadership as its instrument.

Kihl (151) argument on this respect is more focus on the reason of government employing Ministry of Home Affairs. Instead of utilizing Ministry of Agriculture the Korean government employed Ministry of Home Affairs was to centralize in governing Saemaul Undong. Through Ministry of Home Affairs, it was easier for government to control over Saemaul Undong. That was because Ministry of Home Affairs had nation wide system of communication and control until village level. Unfortunately, the net working system did not work systematically. Since in many cases chief executive worked closely with village leader, thereby shortcutting intermediary structure of various level of government unit.

Brandt (Ban, Moon, and Perkins, 1982: 276-278) argued that networking system built by the Korean government yielded a blurring of functional roles of agencies and created overlapping among institution that carry on Saemaul Undong task. It occurred because no government heavily mobilize and press its official in attaining Saemaul Undong goals.

Table 3.B.1: Major Characteristics of Three Stages of Saemaul Undong

Stages	Period	Major Characteristics
Preliminary Stage	1970-1973	- Initiation, experimentation, and building foundation of Saemaul Undong.
		- Projects of basic environment improvement.
Popular Stage	1974-1976	- Mobilizing villagers to participate on Saemaul Undong .
		- Massive Saemaul education and training
		- Building rural socio-economic infrastructure and income-generating projects.
Stable stage	1977-1981	- Institutionalization of Saemaul Undong
		- Major shift in project from human and social development to economic development, and from village projects to inter village and regional projects.
		- Housing improvement and special reorganization of village structure

Source: Choe Yang Boo.ed. *The Korean Model of Rural Saemaul Undong: Its structure, Strategy, and Performance*. Korea Rural Economics Institute, Seoul, 1978

At practical level, the implementation of Saemaul Undong consisted of three stages. Choe (1978: 8-16), as presented at table 3.B.1 above, elaborate description of project implemented at every stage. To conduct those projects, Korean government listed priority of project. The priority of project is presented at table 3.B.2. This table clearly depict that the list of priority was more emphasized on physical infrastructures and beautification.

Table 3.B.2: Priority of Saemaul Undong Projects, Asembled by Local Administration Offices, 1970

Order	Description of projects
1	Straightening and widening villages access roads.
2	Reconstructing old bridges over stream.
3	Widening and straightening village roads.
4	Improving sewage system in village area.
5	Replacing thatched roofs with cement made tiles.
6	Repairing old fences of farmhouses.
7	Improving traditional wells for drinking water.
8	Constructing village hall.
9	Repairing banks of brooks.
10	Developing feeder roads to fields.
11	Speeding up rural electrification.
12	Installed village owned telephones
13	Building village owned bathhouse.
14	Constructing children playground.
15	Improving washing place in riverside.
16	Planting of trees and flowers for beautification.

Source: Ministry of Home Affair Republic of Korea. *Saemaul Undong, 1974*. Ministry of Home Affair Republic of Korea, Seoul, cited by Park (Saemaul Undong Central Trainig Institute., 2000: 25).

In doing so, government disposed of surplus cement to countryside in 1971 (Lee and Kim, 1991: 409; Lie, 1998: 110). Besides cement government also invested a certain amount of government budget. Table 3.B.3 implies that government supported for the first stage were in the amount of 41, 33, and 48 respectively. In 1971 and 1972 all of government support were for village beautification. Meanwhile in 1973 the proportion of beautification project was simply 22.3 % and in 1974 was 15.6%.

Table 3.B.3: Gross Investment (Gross Value Formation) into Saemaul Undong Projects.

Year	Government Support		Contribution of Inhabitant	
	All Program	Village beautification	Total	Village Beautification
1971	41	41	81	81
1972	33	33	280	280
1973	215	48	769	363
1974	308	48	1,020	256

Source: Ministry of Home Affairs Republic of Korea. *Saemaul Undong, 1974*. Ministry of Home Affairs Republic of Korea, Seoul, 1974, cited by Ban (Kim, ed., 1977: 227).

Compare with another sector namely production infrastructure, income augmentation, and rural enlightenment; total investment in physical infrastructure is presented at table 3.B.4. Unfortunately the data about the investment in 1971, 1972, and 1980 are not available. Generally, the highest share of total investment was in income augmentation with average investment per year 39.1. The second was production infrastructure with average of annual investment 30.2. Physical improvement was at third position with annual average 25.5. Lastly was rural enlightenment, with annual investment averagely at 1.6.

Table 3.B.4: Government Support in the Saemaul Undong 1972-1981

Year	Total Investment (10 ⁹ won)	Share of Total Investment (%)			
		Production Infrastructure	Income Augmentation	Environmental Improvement	Rural Enlightenment
1972	31.6	-	-	-	-
1973	96.1	64.3	6.1	28.7	0.8
1974	132.8	42.5	25.4	21.7	2.4
1975	295.9	21.5	63.4	10.3	1.6
1976	322.7	27.9	47.8	20.9	1.8
1977	466.5	29.1	39.1	23.6	2.2
1978	634.2	20.6	38.3	38.5	2.0
1979	758.2	20.9	43.1	32.0	1.0
1980	936.8	-	-	-	-
1981	702.9	15.0	49.9	28.0	2.9

Source: Ministry of Home Affairs Republic of Korea. *Saemaul Undong, 1972-1982*. Ministry of Home Affairs Republic of Korea, Seoul, cited by Moon (Lee and Kim, ed., 1991: 418).

The sources of investment, as shown by table 3.B.5 came from government subsidy and rural people. Total investment from 1971-1980 increased steadily and only dropped down in the last period. This trend was almost similar with that of government support and rural people efficacy. In general government subsidy was in the higher amount than rural people contribution. The subsidy was 3% higher than farmer efficacy. However, if the amount of government subsidy to Saemaul Undong compare with total National Government Expenditure, it is clear that that the percentage is relatively low. The annual average of ratio between government subsidy and total national government expenditure was 8.07%.

Taking account of this fact, Brandt (Ban, Moon, and Perkins, 1982: 275) argued that the government investment in Saemaul Undong project was small compare with the total budget expenditure. The propaganda efforts, however, has been intense.

Table 3.B.5: Sources of Investment for Saemaul Undong Projects (Billion Won)

Year	A Total Investment	B Government Subsidy	C Private*	D National Govt. Welfare Expenditure**	B/D
1971-1972	43.5	7.4	36.1	732.4	1.0
1973	98.4	21.5	76.9	432.8	5.0
1974	132.8	30.8	102.0	749.1	4.1
1975	295.9	165.3	130.6	1,062.5	15.5
1976	322.6	165.1	157.5	1,512.7	10.9
1977	466.5	246.0	220.5	1,969.2	12.5
1978	634.2	338.4	295.8	2,550.8	13.3
1979	758.2	425.2	333.0	3,845.1	11.1
1980	936.7	415.6	521.1	4,677.4	8.9
1981	702.9	419.4	283.5	6,433.8	6.5

* Paid by rural people in the form of labor, land, and cash.

**Total National Government Expenditure

Source: Ministry of Home Affairs Republic of Korea. *Saemaul Undong*, 1987. Ministry of Home Affairs Republic of Korea, Seoul, 1974, and Economic Planning Board, Korea Statistical Year Book, 1971-1987) cited by Kim and Son (Lindauer, ed., 1997: 144).

In implementing those projects, Korean government developed a mechanism to involve rural people. According to Yu (Saemaul Undong Central Training Institute, 2000: 55-56) rural people responded it by participating voluntarily to Saemaul Undong projects. Slogan of self-help and mutual cooperation encouraged rural community to participate. Rural people eagerly worked in many physical project under the banner of Saemaul Undong.

Analysis of Whang (1981: 10-12) on participation was more focus on the decision making process. He argued that Saemaul Undong involved local people to participate not only in undertaking the projects but also in the process of decision-making. The extent of participation, however, depended on their education background

and organizational characteristics. The higher education degree of rural people, the higher possibility for him/her to participate in the decision making process.

Moon (Lee and Kim, 1991: 411-413) argued that local participation into Saemaul Undong was unprecedented participation. It was one of Saemaul Undong features that distinguished with other government policy. Statistically, there were more than 36,000 villages participated annually from 1975. The level of participation increased. In 1972 the participation was 32 million working days. In 1975 the participation raised to 117 million workdays. The participation was getting higher at 273 million working days in 1982. The participation was not only in the form of in the form working but also in the form of land, material, or cash.

Under this participatory mechanism Saemaul Undong achieved high performance in realizing its goals. Ban (Kim, 1977: 232) argued that Saemaul Undong increased income of rural people significantly. Several projects on physical infrastructure and income augmentation might have efficacy directly or not directly in enhancing farmer income. Moreover Ban (1975:24-26) added that Saemaul Undong also change attitude, behavior, and lifestyle of rural community. Saemaul Undong raised consciousness on self-reliance, cooperation, saving and diligence. Saemaul Undong improved environment well as successfully encouraged rural people to invest in Saemaul Undong.

Table 3.B.6: Achievement of Environmental Program, 1971-1974

Sector	Unit	Year				
		up to 1971	1972	1973	1974	Total
1. Rural road						
-Village roads	Km	6,046	12,000	10,842	5,379	34,267
-Farm Feeder roads	Km	27,200	7,351	5,367	39,918	79,836
2. Rural housing and environment						
-Roof improvements	1,000 building	-	413	477	400	1,290
-Housing	Unit	-	-	4,407	9,154	13,561
-Ditches improvement	Km	788	1,904	3,864	2,304	8,860
-Public laundries	Projects	24,129	9,035	14,049	4,984	52,197
3. Rural water supply systems						
-Water supply works	Villages	235	2,640	2,556	4,556	9,988
- Public wells	Projects	65,419	20,350	19,533	4,373	109,675
4. National beautification						
- Road beautification	Km	-	1,158	736	318	2,212
- Town beautification	Towns	-	108	145	36	289
- Resort beautification	Projects	-	7	6	5	18
- Embankment of river	Km	-	788	1,315	741	2,844
5. Public facilities						
-Village halls	Buildings	13,494	4,452	5,135	1,545	24,626
-Public bathhouses	Buildings	2,111	2,063	1,390	351	5,915
-Medical treatment by mobile medical units	1000 persons	4,148	3,702	2,601	2,553	13,004

Source: Ministry of Interior. *Saemaul Undong, 1974*. Ministry of Interior. Korea, Seoul, cited by Ban (1975: 30).

Moon (Lee and Kim, 1991: 419-421) divided Saemaul Undong performance into four categories namely: achievement on environment, farm income, employment, and saving. In terms of performance on environment, the achievement was an improvement of physical infrastructure as depicted by table 3.B.6 presented above. On the second performance, from 1970-1976 farmer income increased at rate of 9.5% per year. At the same time, Saemaul Undong absorbed rural workers in its projects. That was the third performance. The last performance, Saemaul Undong raised the rate of

saving in rural area. In 1960s saving income was less than 10% but after the initiation of Saemaul Undong, saving rate was more than 20%.

Table 3.B.7: Achievement of Income and Production Augmentation Program, 1971-1974

Sector	Unit	Year				
		up to 1971	1972	1973	1974	Total
1. Construction of production infrastructures						
-Land rearrangements	Hectares	26,953	23,134	24,300	1,208	75,595
-Irrigation facilities	Projects	-	4,102	5,393	9,416	18,911
-Public warehouses	Buildings	-	1,699	1,601	5,946	9,246
-Public compost pits	Projects	51,793	3,097	1,522	3,590	60,002
-Public workshop	Projects	-	985	218	841	2,044
-Common use barns	Projects	-	757	162	405	1,324
2. Joint production activities						
-Collective cultivation	1,000 ha	-	206	317	383	906
-Compost production	1,000 M/T	-	-	32,124	32,484	64,608
-Joint control of insects and diseases	1,000 ha	5,093	5,801	6,879	7,812	25,585
3. Other						
-Reforestation	Hectares	231,159	-	12,385	39,955	283,499
-Nursery stocks cultivation	Million trees	-	-	86	203	289
-Rural electrification	1000 household	848	164	308	177	1,497
-Communication network	Projects	4,176	463	700	706	6,045

Source: Ministry of Interior. *Saemaul Undong, 1974*. Ministry of Interior. Korea, Seoul, cited by Ban (1975: 31).

Ban (Kim, 1977: 221-222) argued that the performances of Saemaul Undong were in three facets: environment, income and production augmentation, and spiritual enlightenment. The description of performances is presented in table 3.b.6, 3.B.7, and 3.B.8. According to Ban, the indicators for the performance are: first, quantity of

environmental completed physical projects. Table 3.B.6 shows that it consisted of kilometers of rural road constructed, unit of housing built, and so forth. Second is number of persons who participating in the movement. It could be seen from the amount of labor absorbed by Saemaul Undong projects. Third indicator is assessment of monetary value of Saemaul Undong projects.

Table 3.B.8: Achievement of Spiritual Enlightenment, 1971-1974

Sector	Unit	Year				
		up to 1971	1972	1973	1974	Total
1.Saving programs						
-Postal savings	Million won	1,082	2,276	8,293	11,600	23,251
-Deposits in village's safe	Million won	2,650	3,530	6,820	7,173	20,173
2.Family planning						
-Mobile medical service groups	units	-	22	21	11	54
-Sterilization	1,000 persons	-	20	22	34	76
-Vasectomy	1,000 persons	-	300	300	383	983
-Contraceptives	1,000 persons	-	400	442	424	1,266
3. Improvement of living condition						
-Improvement of food	Villages	-	90	126	597	813
-Education for wives.	Participants	-	200	35,384	40,930	76,514

Source: Ministry of Interior. *Saemaul Undong, 1974*. Ministry of Interior. Korea, Seoul, cited by Ban (1975: 32).

In contrast, Brandt (Sung, Pal, and Perkins, eds., 1982:277) argued that the Korean government conducted Saemaul Undong in coercive method. Coercive pressure from local government official to farmer generated resentment. Moreover, farmers were less enthusiasm to be involved in any Saemaul Undong program. That was because Saemaul Undong conducted through top down mechanism. Many projects were

designed and decided by government without involving local people. In this circumstance most of the project were not match with local people need.

In line with Brandt, Kihl (Hopkins, Puchala, and Talbot, ed., 1979: 153) argue that authoritarian coercive mechanism caused the emergence of resentment as well as cynicism. Most of farmers tend to less enthusiasm to participate to any projects under the banner of Saemaul Undong. Farmer did not trust to any campaigns conducted by local official.

Wade (1982: 98-99) elaborated that in many cases of implementation of Saemaul Undong, official showed coercive pressure to farmer. Before the time to cultivate paddy, government indicated the quota target for every province as well as determine the variety of paddy that should be planted by farmer. If farmer did not plant the variety as determined by government, officials would destroy the seedbed. Under this circumstance, many farmers were wary to be involved in any government program related to Saemaul Undong.

III.C. Dual Price Policy: Its Characteristics and performance

The other Korean agricultural policy which had the same objective as Saemaul Undong was dual price policy. Similar as Saemaul Undong, the aim of dual price policy was to increase farmer income. In addition dual price policy was also tried to increase agricultural terms of trade in favor of farmer (Kruger, Schiff, and Valdes, ed., 1991: 27)

Through dual price policy Korean government purchased rice from farmer at higher price than the price when government sale rice to urban people (Organization for Economic Cooperation and Development, 1999: 48; Hopkins, Puchala, and Talbot, ed., 1979: 159; Kruger, Schiff, and Valdes, ed., 1991: 27) Between purchasing price and selling price, there was a difference. Most of the differences were not profits of government but losses of government. This loss was the subsidy provided by government to farmer as well as to urban people as the consumer of rice (Kim, 1977: 231).

The main idea of dual price policy was actually a policy that tried to solve a dilemma as stated by Ban, Moon, and Perkins below:

“Under the single-price system, if the government attempts to increase production and reduce consumption of rice in order to keep the aggregate demand and supply of rice in balance while importing less foreign rice, both the purchase and selling price must be maintained at a relatively high level. The resulting high price of rice certainly contributes to increasing farm revenue as well as to saving foreign exchange through reduction in rice consumption, but high rice prices also will cause an upward pressure on general price level and an adverse effect upon urban consumer welfare. A two price system for rice and barley, a higher price for farmer and a lower price for urban consumers was one means of resolving this dilemma and attaining simultaneously these apparently conflicting objectives.” (Ban, Moon, and Perkins, 1982: 246)

In fact, dual price policy provided subsidy not only for rice but also for barley. Even more the subsidy for barley was higher than the subsidy for rice.(Ban, Moon, and Perkins, 1982: 247). Before 1969 price of barley was about 65% of rice price. After 1969, due to the subsidy, price of barley dropped to 50% of rice prices (Kruger, Schiff, and Valdes, ed., 1991: 56) Korean government attempted to keep price of barley at low

level to encourage Korean people to consume barley more than rice (Anderson, 1987: 19). This fact implies that government protected rice higher than barley.

The consequences of the subsidy provided by dual price policy were two types. They were advantage and disadvantages effects. The advantages effect would be elaborate at the next part. Meanwhile the disadvantage effect was financial problem caused by subsidy that government had to pay. Due to the subsidy provided by government, it raised government expenditure. The increasing expenditure resulted a deficit in food grain management fund (Anderson, 1987: 19). From 1970-1986 the total loss of financial amounted to 2,707 billion won (Kruger, Schiff, and Valdes, ed., 1991: 56). Since this deficit, in 1993 Korean government abolished Food Grain Management Fund that provided financial support for dual price policy (Organization for Economic Cooperation and Development, 1999: 49).

IV. Saumaul Undong: Its Contribution and Political Motive behind its Initiation

IV.A Saemaul Undong: Its Contribution in Increasing Farmer's Income

Rural community income, as mentioned at previous part grew up from 1966-1981 (see table 3.A.2). Even when the output of agriculture dropped down, farmer income still grew up. It was also happened to the surplus of income and agricultural terms of trade. Even though rice production was fluctuate, the surplus of income from 1966-1978 as well as agricultural terms of trade from 1969-1973 increased steadily (see table 3.A.4 and 3.A.5). That is meant that there was a third variable as determinant that raised rural people income. In this sense two policies elaborated above were possible the determinant. That was because both of them had the same objective, namely to enhance farmer income. This part try to scrutinize and find out which policy increased farmer income.

It is interesting phenomenon that income of farmer increased at longer period time than the surplus of income. Term of trade, on the other hand increase at a stable trend was in the shortest time. It could be interpreted that the rate of production did not have any relationship with the surplus of income as well as term of trade. The second interpretation is that that living expenditure of farmer in that period was relatively high. The high living expenditure caused the surplus of income fluctuated even though the farmer household income was increase steadily. Since term of trade trend was also as not as stable that of farmer household income, it was possible that price of urban

product higher than price agricultural output. That was because during 1970s there were first and second oil shock. Those oil shock raised price urban product paid by farmer (Jacob, 1985: 110).

Taking account those facts, considering living expenditures as a variable in this analysis is relatively important. The reason is because that is the main distinguished features between Saemaul Undong and dual price policy. During the implementation of Saemaul Undong farmer had to spend a fix expend to contribute in Saemaul Undong projects. Not only did to contribute in many Saemaul Undong projects but also to purchase many agricultural product in urban^{*}. It significantly raised to farmer living expenditure as argue by Adelman and Robinson:

“After final equilibrium is reached, the average price level is 5 percent above the base run, and the terms of trade are raised by the full amount of the change in agricultural price (25 percent). The real incomes of rural households go up 9-19 percent, with the richer group gaining relatively more. Total agricultural income does not rise by the full 25 percent because the increase in relative price of agricultural goods raises the cost of living by more than the increase in the whole price index, and this effect is more serious for rural household, which spend relatively on agricultural goods. The cost of living raises about 10-12 percent for rural group, but only 7-9 percent for urban group” (Adelman and Robinson, 1978: 85)

Meanwhile in case of dual price policy, this policy did not involve any fix cost bore by farmer. The only thing that farmers had to do was simply sell their rice to government. The second reason is because Korean farming production expense was

^{*} Saemaul Undong tried to increase farmer income through raising agricultural production. To enhance productivity farmers had to purchase high yield variety, pesticide, and fertilizer. Those three agricultural inputs are parts of green revolution characteristics (Szirmai, 1997: 265) Since limited land resources; Korean government tends to increase agricultural productivity by increasing utility of fertilizer. It is accompanied by the government efforts to promote high yield variety: *tongil* in early 1970s

expensive. Korean agricultural cost was one of the most expensive in the world. In the late of 1960s, the agricultural cost price of Korean agricultural was three times the world price (Adelman and Robinson, 1978: 85).

Generally speaking that output of agricultural sector derive from agricultural productivity. The higher the productivity, the higher possibility of agricultural sector to get a higher production. Comparing agricultural productivity (see table 4.A.1), agricultural output, and rural household income (see table 3.A.2), it seem that all of the variable mentioned above do not inter-connected. It is in line with Adelman and Robinson (1978: 86) opinion. They stated that there was no relationship between Korean agricultural productivity and the enhancement of rural people income. Table 4.A.1 reveals that labor productivity and land productivity on one side compare with rice output and the surplus of income on the other side have different trend. Labor productivity and land productivity show a stable trend: except in 1965, it increased steadily. On the other hand rice production fluctuated in the entire period. Meanwhile trend the surplus of income was in between in rice production and labor productivity as well as land productivity.

Table 4.A.1 Living Expenses (Average per Household in Won)

Year	Agricultural Capital	Labor Productivity	Land Productivity	Capital Productivity
1962	90,602	21	6,070	0.60
1963	120,198	37	8,533	0.64
1964	102,707	49	11,413	1.01
1965	79,831	43	9,261	1.11
1966	126,525	49	10,699	0.80
1967	146,500	58	11,934	0.79
1968	181,861	73	13,707	0.75
1969	226,759	91	16,780	0.74
1970	260,768	107	19,639	0.74
1971	360,126	159	29,338	0.81
1972	461,806	200	35,551	0.77
1973	547,021	223	39,071	0.71
1974	750,801	378	56,040	0.72
1975	970,698	467	74,307	0.74
1976	1,248,033	575	95,066	0.74
1977	1,549,147	660	103,614	0.67
1978	1,881,586	855	133,432	0.72
1979	2,277,508	926	150,865	0.67
1980	2,497,079	1,061	170,868	0.70
1981	3,203,159	1,454	236,756	0.77

Source: Ministry of Agriculture and Fisheries Republic of Korea. *Report on the Results of Farm Household Economy Survey 1972 and 1982*, Ministry of Agriculture and Fisheries Republic of Korea, Seoul

This unclear relationship among variables elaborated above, does not give significant clue about the relationship between both two policies and enhancement of rural people's income. Analyzing farmer household income presented by table 3.A.2 through dividing the entire period into 1961-1969, 1970-1970, 1971-1973, 1974-1976, and 1977-1981, it seem that there was no clear symptoms refer to the efficacy of dual price policy and Saemaul Undong to enhance rural people income. From 1965-1969, 1970-1970, 1971-1973, 1974-1976 the trend were similar. Farmer household income increased almost in the same degree. That is meant that before initiation of dual price

policy as well as Saemaul Undong and during the implementation of both policies there was no different significant changes. Therefore the analysis should go beyond these data.

In addition the definition of income, as elaborated at theoretical framework, does not refer to the above data. Since Saemaul Undong involve a certain cost paid by farmer the data that should be scrutinized is the surplus of income and rate of agriculture income. The other important data is agricultural term of trade. The reason is because the real farmer income should reflect farmer' purchasing power. One of a plausible indicator to measure real purchasing power is agricultural term of trade. Moreover, the problematic issue during the initiation Saemaul Undong was about a different purchasing power between urban workers and farmer. Since terms of trade is a concept that cover price of rural and urban products so this research will scrutinize agricultural terms of trade.

Data on the surplus of income presented by table 3.A.3 reveals another feature. It might be interpreted that both dual price policy and Saemaul Undong rose farmer income. It seem that from 1966-1978 the income grew up steadily. Hence, the trend was not different from that of farmer household income. However, if the data are scrutinized deeply the enhancement started from 1968, one year before the initiation of dual-price policy. That was because income growth from 1965-1967 was actually still expressing a declining trend compare with achievement in 1964. Based on this argument the unwavering growth started from 1968 to 1978.

Moon (Kim 231-232) argued that rural community income increased due to dual price policy as well as Saemaul Undong. Saemaul Undong increased farmer income through several project such as construction of infrastructure, environmental improvement and income augmentation. In his analysis of secondary data Moon argued that

“.....that the growth rate of farm household income has been higher since 1970 when the New Community Movement (Saemaul Undong) was initiated than in the prior period. It is interesting to notice that growth of farm income has accelerated while that of urban wage earners has decelerated leading to near equal income levels between a farm and an urban salary-wage earners' household. The equality in income levels between two different categories of households might have resulted from the commitment of various government programs as well as the increased mobility of people” (Kim 232)

In line with Moon, Whang (1981: 180) expanded that Saemaul Undong was not the only factors resulted rural income enhancement. Subsidy provided by dual price policy had remarkable economic effect throughout 1970s. Dual price policy was undoubtedly the major determinant of increasing rural community income. In this case Saemaul Undong has partly upgraded rural people income.

It is interesting to investigate on Moon's argument. He stated that Saemaul Undong increased income through some project and that the upgrading of income started in 1970. Based on the assumption that Saemaul Undong project aimed to raise farmer income started in 1974, performance in 1970 should not be considered as performance belongs to Saemaul Undong but as performance of dual price policy.

Table 4.A.2 depicts that agricultural expenditure determine rate of agricultural income. Both agricultural gross receive and agricultural expenditure shows almost the same trend. Agricultural gross receive dropped somewhat in 1965 and then increased

continuously until 1981. Agricultural expenditure decreased in 1964 and from 1965-1981 grew up steadily. Rate of agricultural income had similar trend with that of agricultural gross receive. Interestingly ratio between agricultural income and agricultural gross receive had different trend with the gross receive as well as agricultural income. From 1962-1964, agricultural income increased and then from 1965 dropped down continuously until 1967. From 1968-1974 rate of agricultural income increased unwaveringly, declined in 1973, and grew up in 1974. Rate of agricultural income, then from 1975-1980 decreased steadily and eventually declined in the last period.

Table 4.A.2: Farm Household Income (Average per Household in Won).

Year	A Agricultural Gross Receipts	B Agricultural Expenditures	C Agricultural Income	C/A Rate of Agricultural Income
1962	73,416	19,390	54,026	73.6
1963	100,925	24,383	76,542	75.8
1964	128,072	24,327	103,745	81.0
1965	115,991	27,179	88,812	76.6
1966	131,407	29,977	101,430	77.2
1967	150,995	34,636	116,359	77.1
1968	177,083	40,147	136,936	77.3
1969	214,617	47,489	167,128	77.9
1970	248,064	54,027	194,037	78.2
1971	356,567	64,658	291,909	81.9
1972	427,994	74,613	353,381	82.6
1973	480,263	89,943	390,320	81.3
1974	664,411	122,509	541,902	81.6
1975	890,954	176,116	714,838	80.2
1976	1,165,956	244,763	921,193	79.0
1977	1,333,586	297,450	1,036,136	77.7
1978	1,769,116	413,448	1,355,668	76.6
1979	2,027,162	495,887	1,531,275	75.5
1980	2,342,169	587,353	1,754,816	74.9
1981	3,269,433	792,970	2,476,463	75.7

Source: Ministry of Agriculture and Fisheries Republic of Korea. *Report on the Results of Farm Household Economy Survey 1972 and 1982*, Ministry of Agriculture and Fisheries Republic of Korea, Seoul.

The phenomenon above reveals that rate of agricultural expenditure in the period of declining rate of income was highly increased. In this case, there is an interesting finding. From the starting of dual price policy until 1972, agricultural expenditure did not significantly stipulate rate of income. However, after implementation of Saemaul Undong, particularly after entering the second stage of Saemaul Undong, which focused on increasing income, rate of agricultural income

dropped down. That is meant that those projects caused agricultural expenditure increased. It resulted rate of agricultural income declined.

Table 4.A.3 is relatively helpful to make sure the significance influence of agricultural expenditure to rate of agricultural income. In 1973, when rate of agricultural income dropped down, rural people efficacy into Saemaul Undong increased more than 200%. Its proportion was almost 400% of government subsidy. The other interesting phenomenon was that when the contribution to Saemaul Undong increased rate of agricultural income decline. It is clear that from 1975-1980, rural people contribution grew up and dropped down in 1981. In contrast trend of rate of agricultural income is on the opposite tendency. Rate of agricultural income declined from 1975-1980 and eventually increased in 1981.

Table 4.A.3: Sources of Investment for Saemaul Undong Projects (Billion Won)

Year	A Total Investment	B Government Subsidy	C Farmer Contribution*	D National Govt. Welfare Expenditure**	B/D
1971-1972	43.5	7.4	36.1	732.4	1.0
1973	98.4	21.5	76.9	432.8	5.0
1974	132.8	30.8	102.0	749.1	4.1
1975	295.9	165.3	130.6	1,062.5	15.5
1976	322.6	165.1	157.5	1,512.7	10.9
1977	466.5	246.0	220.5	1,969.2	12.5
1978	634.2	338.4	295.8	2,550.8	13.3
1979	758.2	425.2	333.0	3,845.1	11.1
1980	936.7	415.6	521.1	4,677.4	8.9
1981	702.9	419.4	283.5	6,433.8	6.5

* Paid by rural people in the form of labor, land, and cash.

**Total National Government Expenditure

Source: Ministry of Home Affairs Republic of Korea. *Saemaul Undong, 1987*. Ministry of Home Affairs Republic of Korea, Seoul, 1974, and Economic Planning Board, Korea Statistical Year Book, 1971-1987) cited by Kim and Son (Lindauer, ed., 1997: 144).

However, since the efficacy may not in the form of cash, it is not plausible to develop argument simply relying on this fact. To investigate more detail, it is necessary to scrutinize data that reveals farmer expenditure on contribution to Saemaul Undong in the form of cash. Table 4.A.4 and table 4.A.5 are relatively helpful to clarify that farmer expenditure were high when rate of income dropped down.

Table 4.A.4 Ratio Sanitation and Beauty Expenses to Living Expenses

Year	A Living Expenses	B Miscellaneous Expenses	C Sanitation and Beauty	C/B
1962	55,739	10,829	376	3.5
1963	77,464	13,317	499	3.8
1964	101,118	19,631	685	3.5
1965	100,492	22,866	738	3.2
1966	109,878	25,354	802	3.2
1967	127,667	30,347	1,040	3.4
1968	143,104	34,066	1,225	3.6
1969	171,371	43,636	1,523	3.5
1970	207,766	55,648	1,921	3.5
1971	244,463	61,815	2,414	3.9
1972	309,665	78,924	2,748	3.5
1973	337,350	84,057	3,604	4.3
1974	435,490	102,018	4,218	4.1
1975	616,280	162,299	5,926	3.7
1976	749,183	191,201	7,689	4.0
1977	976,407	279,659	9,193	3.3
1978	1,320,508	442,369	12,062	2.7
1979	1,662,168	564,404	17,210	3.1
1980	2,138,323	774,831	22,516	2.9
1981	2,676,090	976,271	26,479	2.7

Source: Ministry of Agriculture and Fisheries Republic of Korea. *Report on the Results of Farm Household Economy Survey 1972 and 1982*, Ministry of Agriculture and Fisheries Republic of Korea, Seoul.

Table 4.A.4 about sanitation and beauty expenses would be used to clarify farmer expenses in 1973 and table 4.A.5 would be employed to clarify rural people

expenditure in 1975. The reason is, in 1973 Saemaul Undong focused on its projects on beautification and physical infrastructure meanwhile in 1975 emphasized on income generation through enhancement of agricultural production. Table 4.A.4 clearly presents that that sanitation and beautification expenses in 1973 was high. Its ratio in miscellaneous expenses was the highest during 1962-1981.

Table 4.A.5: Agricultural Management Expenditures (Average per Household)

Year	Seed and Seeding	Agricultural Expenditures	Fertilizer	Pesticide	Irrigation
1962	1,534	18,820	6,326	148	665
1963	2,667	25,147	7,441	295	632
1964	1,322	22,884	5,232	390	917
1965	1,459	26,711	8,288	521	1,081
1966	828	28,261	8,839	733	1,464
1967	799	33,209	8,631	936	2,062
1968	935	38,265	8,997	1,177	2,044
1969	1,175	45,896	9,861	1,716	2,577
1970	1,850	52,539	10,158	2,373	3,001
1971	2,353	61,037	10,182	3,432	3,408
1972	2,148	74,613	13,059	4,005	2,496
1973	2,336	89,943	15,108	5,303	3,681
1974	5,049	122,509	17,111	5,713	3,539
1975	6,329	176,116	27,038	13,156	5,000
1976	7,907	244,763	48,367	14,709	6,797
1977	13,071	297,450	53,056	17,845	10,278
1978	19,655	413,448	63,790	25,427	13,547
1979	18,179	495,887	52,900	33,138	19,696
1980	26,841	587,353	59,084	47,207	18,809
1981	36,861	792,970	94,059	55,219	29,427

Source: Ministry of Agriculture and Fisheries Republic of Korea. *Report on the Results of Farm Household Economy Survey 1972 and 1982*, Ministry of Agriculture and Fisheries Republic of Korea, Seoul.

Similarly, table 4.A.5 depicts that fertilizer, pesticide, and irrigation expenses grew up highly in 1975. Fertilizer expenses increased at rate of 158%, irrigation grew up 141%, and pesticide raised 230%. Meanwhile seeding expenses in 1975 was not high. It simply increased 125%. Seeding expenses was on its peak in 1974, which achieved

216%. Due to the upgrading of fertilizer, pesticide, and irrigation expenses, total agricultural expenditure increased highly. The magnitude of total agricultural expenses in 1975 was the highest throughout the period.

From that analysis, it is clear that there is a relationship between enhancements of expenses to participate Saemaul Undong to the decline of rate of agricultural income. In other words, without Saemaul Undong, the expenses would not as high as shown by those data scrutinized above. However, it is too few to conclude that only dual price policy that raised income of farmer. To come to the conclusion the analysis would go deeply to how much efficacy the subsidy provided dual price policy to rate of agricultural income and term of trade.

Table 4.A.6 reveals the amount of subsidy provided by dual price policy. The data on subsidy shows that during the period of conducting dual price policy the subsidy was higher than previous period. In 1969, even though the subsidy was still minus, but it increased 300% than that of 1968. In the other periods, it is clear that in 1970, 1972, 1973, and 1975 the subsidy were in plus value. Throughout the period of 1969-1975, the subsidy was averagely 362.29 per year. Therefore, it is clear that after initiation of dual price policy subsidy of rice was higher than before the initiation.

Table 4.A.6: Government Purchase versus Selling Prices for Rice, 1956-1975 (Won per 80kg)

Year	A Purchase Price	B Selling Price	A-B Subsidy	B/A
1961	1,550	1,792	-242	115.6
1962	1,650	1,888	-238	114.4
1963	2,060	2,312	-252	112.2
1964	2,967	3,450	-483	116.3
1965	3,150	3,350	-200	106.3
1966	3,306	3,900	-594	118.0
1967	3,590	4,100	-510	114.2
1968	4,200	5,200	-1,000	123.8
1969	5,150	5,470	-320	106.2
1970	7,000	6,500	500	92.9
1971	8,750	9,500	-750	108.6
1972	9,888	9,500	388	96.1
1973	11,372	11,264	108	99.1
1974	15,760	15,850	-90	100.6
1975	19,500	16,800	2,700	86.2

Source: Food Bureau, Ministry of Agriculture and fisheries Republic of Korea. Cited by Ban, Moon, and Perkins (1980: 247).

As a result of providing subsidy was agricultural term of trade grew up. Table 4.A.7 and table 4.A.8 show the trend of agricultural term of trade. Discerning table 4.A.7, it is clear that from 1963 term of trade declined continuously until 1968. From the period of initiation of dual price policy, in 1969, term of trade grew up steadily until 1973, declined somewhat in 1974, wavered in the period of 1974-1978, and then eventually declined unwaveringly until 1981.

Table 4.A.7: The Term of Trade for Agricultural Products, 1963-1974

Year	A Price Received by Farmer (140 Item)	B Price Paid by Farmer (49 Item)	A/B
1963	40.1	35.3	113.6
1964	50.2	44.8	112.1
1965	52.2	51.8	100.8
1966	55.4	58.1	95.4
1967	63.5	65.8	96.5
1968	74.3	78.8	94.3
1969	84.8	86.8	97.7
1970	100.0	100.0	100.0
1971	121.4	114.4	106.1
1972	147.9	130.5	113.3
1973	164.2	143.1	114.7
1974	215.6	192.5	112.0

Source: National Agricultural Cooperative Federation. *Agricultural Cooperative Year Book 1975*, National Agricultural Cooperative Federation, Seoul.

After 1969, term of trade increased because the high price paid by government through dual price policy raised price received by farmer. Since policies to upgrade agricultural output caused deterioration of agricultural term of trade (Adelman and Robinson 1978: 84), it is clear that Saemaul Undong which tried to stimulate agricultural production decreased term of trade.

Table 4.A.8: The Term of Trade for Agricultural Products, 1967-1981

Year	A Price Received by Farmer (199 Item)	B Price Paid by Farmer (59 Items)	A/B
1967	9.3	10.3	90.3
1968	10.9	12.3	88.6
1969	12.4	13.5	91.9
1970	14.7	15.6	94.2
1971	17.8	17.8	100.0
1972	21.7	20.4	106.4
1973	24.1	22.3	108.1
1974	31.6	30.0	105.3
1975	39.2	37.1	105.7
1976	48.7	46.3	105.2
1977	56.8	54.2	104.8
1978	74.0	70.5	105.0
1979	82.1	80.2	102.4
1980	100.0	100.0	100.0
1981	128.2	137.6	99.7

Source: National Agricultural Cooperative Federation. *Agricultural Cooperative Year Book 1982*, National Agricultural Cooperative Federation, Seoul.

Based on the analysis on the agricultural the surplus of income, rate of agricultural income, and agricultural term of trade above, the determinant of increasing rural people income was dual price policy. In other words, without initiation of Saemaul Undong in 1971, rural community income has already increased from 1969. This interpretation in accordance with Kihl's (Hopkins, Puchala, and Talbot, eds., 1979: 161) as well as Kim's and Son's (Lindauer, 1997: 140) opinions. They argued that dual price policy was the variable that increased farmer income.

In line with the above scholars' argument, Moon (Lee and Kim, 1991; 392) elaborated that dual price policy was the policy that increased rural people income. It could be seen on the fact that during the period of 1962-1982 agricultural income grew

up in period in which dual price policy provide high subsidy and declined when the subsidy was low. This implies that that dual price policy was the most critical factor in upgrading farmer income.

In the same opinion, Wade (1982: 147) expanded on his argument that dual price policy was the factor that raised rural community income. Some other programs, such as Saemaul Undong, were a manifestation of coercion and mobilization to achieve its goal. It was not a method to increase rural income in the process of rural development.

IV. B. Saemaul Undong: Its Contribution in Achieving Rice Self Sufficiency

Food self-sufficiency has been the major objective of Korean agricultural policies since ancient time (Saemaul Undong Center Training Institute: 2000: 94). The institutionalization of this major objective was in the same period of the initiation of Saemaul Undong. Korean government put rice self-sufficiency as one of the priority targets in the third economic plan implemented in 1971-1976 (Wade, 1982: 18).

Many indicators expressed that Korean government was seriously attempted to attain rice self-sufficiency. One of the measures was the budget spent by government. In the second five years plan, Korean government simply allocated 6% of total budget into agricultural sector. To achieve rice self-sufficiency, in the third five years plan the budget on agriculture grew up to almost 17% of total budget (Kim,1977: 23).

Not only did in the form budget the government the indicator was but also in the form of strategies. According to Wade (1982: 18-19) in order to attain rice self-

sufficiency, Korean government implemented four strategies. First, Korean government initiated high yielding paddy varieties in 1970 to distribute new seeds and high level fertilizer. Second built physical-agricultural infrastructure. Third, initiated dual price policy. The last strategy, Korean government launched Saemaul Undong.

From Wade argument above, it seem that both dual price policy and Saemaul Undong aimed to achieve rice self-sufficiency. This part would investigate which one of two strategies mentioned above was the factor that raised income of farmer.

Table 4.B.1 reveals rate of rice self sufficiency from 1961-1994. The table shows that from 1961-1994 that most of rate of self-sufficiency less than 100. Only in 1990 rate of rice self-sufficiency were more than 100. From 1961-1980 rate of rice self sufficiency declined. In fact that rate of rice self sufficiency in 1980 was higher than in 1970. However if compare with the attainment in 1961 was lower.

Table 4.B.1: Rate of Self-Sufficiency for Rice

Year	Rate of Self Sufficiency for Rice (%)
1961	98.5
1970	96.4
1980	97.3
1990	107.5
1994	95.4

Sources: Ministry of Agriculture and fisheries Republic of Korea. *Year Book of Agriculture and Forestry Statistics*, Ministry of Agriculture and fisheries Republic of Korea, Seoul. Cited by Moon and Sul, (Cha and others, ed, 1997: 475).

Since Korea attained rice self-sufficiency in 1990, 9 years after Korean government abolished Saemaul Undong, it is clear that Saemaul Undong did not help Korea to achieved rice self-sufficiency. The indicator was during the period of conducting Saemaul Undong, Korea did not attain rice self-sufficiency. Hence, the

determinant which enable Korea to achieve rice self-sufficiency was dual price policy. Many scholars such as moon and sul (Cha and others, 1997; 489), Kim and Son (Lindauer, 1997: 143), and Kihl (Hopkins, Puchala, and Talbot, ed., 1979: 160) argued the same idea as the above interpretation. They stated that the achievement of rice self-sufficiency in 1990 was due to dual price policy.

4.C. Saemaul Undong: Its Contribution in Restraining Migration Flow from Rural to Urban Areas

As elaborated above at previous part, one of the objectives of Saemaul Undong was to restrain off farm migration which caused a potentially unstable marginal on the urban peripheries. Table 4.C.1 depicts the problematic phenomenon before the initiation of Saemaul Undong. From 1961-1966 migration flow into urban area was 1,591. This magnitude of rural people who migrated to urban grew up 153% in the period of 1966-1970 to 2,321. In contrast net migration from urban to rural area drop down 140%. From 1960-1966 migration into rural area was -1,660 and in 1966-1970 was -2,321.

Table 4.C.1: Trend of Population in Rural and Urban Area, 1961-1970

Year	Number (in 1,000)		Net migration rate (%)	
	Urban	Rural	Urban	Rural
1961-1966	1,591	-1,660	16.3	-8.6
1966-1970	2,321	-2,321	20.4	-12.3

Source: UN, ESCAP, 1975: 154. cited by Lee (1980: 17).

This fact caused the similar trend of migration rate. Net migration rate into urban area was 16.30 in 1960-1966. From 1966-1970 the net migration rate was 20.4. It

grew up 125%. On the other hand net migration rate into rural area on the opposite tendency. It declined from –8.6 in period of 1960-1966 to –12.3 in 1966-1970.

As a result the number of people who engaged in rural sector declined in the above period. As shown by table 4.C.2, it is clear that from 1960-1966 population of farmer declined unwaveringly. It also happened in the period of 1966-1970. The declining population of farm household continued until 1981. Since the total household increased steadily from 1961-1981, it yielded the ratio between farm household and total household decreased unwaveringly in that period.

Table 4.C.2: Ratio Farm Household Population to Total Population

Year	A Total Household	B Farm Household	B/A
1961	4,343,727	2,327,116	53.6
1962	4,589,071	2,469,453	58.2
1963	4,688,231	2,415,593	51.5
1964	4,769,533	2,450,308	51.4
1965	4,844,439	2,506,899	51.7
1966	5,191,507	2,540,274	49.6
1967	5,101,040	2,586,864	50.7
1968	5,233,958	2,578,526	49.3
1969	5,415,516	2,546,244	47.0
1970	5,864,330	2,487,646	42.4
1971	-	2,481,525	-
1972	-	2,451,844	-
1973	-	2,450,277	-
1974	-	2,381,200	-
1975	6,754,257	2,379,058	35.2
1976	-	2,335,856	-
1977	-	2,303,930	-
1978	-	2,223,807	-
1979	-	2,161,821	-
1980	7,969,201	2,155,073	27.0
1981	-	2,029,626	-

Source: Ministry of Agriculture and Fisheries Republic of Korea. *Year Book of Agriculture and Forestry Statistics 1972 and 1982*, Ministry of Agriculture and Fisheries Republic of Korea, Seoul.

From another point of view, it could be predicted that the proportion between rural and urban population would be shift. Table 4.C.3 shows that from 1960-1988 populations in city that include Seoul and six largest cities grew up. In contrast, in the same period population in rural area declined. In 1960 population in rural was higher than that of urban area. In 1980 the situation shifted oppositely. Population in urban area was higher than in rural area.

Table 4.C.3:Regional population Trends (1,000 persons)

Region	Year			
	1960	1970	1980	1988
All <i>Shi</i> (cities)	6,997	12,953 (7.21)	21,434 (5.00)	30,922 (5.35)
Six largest cities	5,230	10,052 (8.22)	15,596 (4.41)	20,075 (3.05)
Seoul	2,445	5,536 (9.84)	8,364 (3.95)	10,287 (2.19)
All <i>Kun</i> (Counties)	17,992	18,512 (-1.15)	16,002 (-2.23)	11,053 (-7.59)
<i>Eup</i> (townships)	2,257	2,800 (1.48)	4,540 (4.05)	3,636 (-8.95)
<i>Myon</i> (villages)	15,731	15,372 (-2.17)	11,463 (-4.17)	7,417 (-6.89)

Source: Economic Planning Biro, *Korea Statistical Yearbook.198*;. Economic Planning Biro, *Population and Housing Census, 1960, 1966, 1970, 1980*; Ministry of Home Affair, *Municipal Yearbook of Korea, 1971, 1989*. Cited by Lindauer and others, ed. (1997: 126).

From the above analysis, it could be interpreted that in the period before implementation of Saemaul Undong, the migration was relatively high. That was also happened during Korean government conducting Saemaul Undong. That is meant that there was no significant contribution of Saemaul Undong in restraining migration flow to urban area. This interpretation does not only relying on the trend but also based on

the reason the reason of rural people to migrate to urban. Since the reason to move to urban was due to get a higher income (Saemaul Undong Central Training Institute, 2000: 72, Lindauer, 1997: 124), it is more salient that Saemaul Undong could not reduce the high migration rate into urban.

IV.D Saemaul Undong: Political Motive behind Its Initiation

Saemaul Undong policy, which was initiated by Park Chung Hee in 1971 could, be discerned from many perspectives. Two perspectives represented by two groups of scholars tried to explain Park's motive behind the initiation of Samaul Undong. Most of the first group of scholars agree that Park initiate Saemaul Undong because Park sympathy and concern to farmer. Meanwhile the most of group of scholars argued that motive of Park initiated Saemaul Undong was political motive.

Ban (1975: 4; Kim:1977: 208) argued that Park had sincere concern about living condition of rural people. This deep concern stimulated him to launch Saemaul Undong. In line with Ban, Park (1998: 3) and Whang (1981: 40-41; 1997: 154) elaborated that the motive Park to implement Saemaul Undong was to show his great sympathy to farmer. The sympathy stemmed from his economic background, as a son of farmer and grew up in rural area.

On the other hand, Brandt (Ban, Moon, and Perkins, 1982: 275), Burmeister (1988: 70), Kihl (Hopkins, Puchala, and Talbot. ed., 1979: 156), Lie (1998: 109), and Wade(1982: 18) elaborated that the initiation of Saemaul Undong was due to political motive. Since the wide gap of rural-urban income, political support of rural people to

Park Chung Hee dropped down. To maintain political support, Park Chung Hee initiated Saemaul Undong.

To find out what was the motive of Park Chung Hee in launching Saemaul Undong, it is important to understand political-economic situation and agricultural policies in period of the initiation of Saemaul Undong.

Idea to raise farmer income, actually, did not show up for the first time when Park launched Saemaul Undong in 1971. In a book entitled “Our Nation Path” written by Park in 1962, Park (1962: 220-221) elaborated that he realized there were wide income gap between farmer and elite politician. To raise farmer economy, economic policies should be focused on agricultural development. At another part of this book Park elaborate his idea to develop agriculture sector

“We must develop agriculture for economic rehabilitation. It is vitally important to establish self-sufficiency of rural areas as a part of our national economy. We must encourage the export of farm products in an effort to help restore our international balance of payment. In this country, more than 60% of the populations are farmers. The ever-pressing problem of our national economic development is, in substance, the solution of farm problem and the rescue of farmer from economic and technical backwardness. Further, since farmers from constitute a market which plays an important role in economic progress, I believe the increase of farmer’ income is vital. In our effort to seek the path towards a better life for farmers leading to the development of the over-all national economy we must mention some of the important parts of our farm proposals (Park, 1962: 222)

What written by Park above reveals his deep concern as well as his idea and promise to develop agricultural sector. He delivered his obsession in 1962, seven years before he launched dual price policy and nine years before initiation of Saemaul Undong.

Until 1969, however, Park did not realize his opinion to raise farmers’ income. That is meant Park passed two presidential elections in 1963 and in 1967. The analytical

question could be raised then is why Park did not bring his idea into reality during his period of taking authority. That was because if he was defeated by his opposition in 1963 or in 1967 presidential election he loosed his opportunity to express his sympathy to rural people.

During that period no one could convince Park that he would win in those presidential election. Park faced many political difficulties in that period. Many Korean, particularly the educated middle class did not fully accept Park rule (Lie,1998: 76) Since those difficulties Park was almost defeated by his political rival in 1963 election. Park was only narrowly won in the election (Cummings, 1997: 354-355; Haggard 1994, 1994: 24). Park won simply over 1% of the votes (Lie, 1998: 54).

In 1969, eventually, Park launched a policy to increase rural people income. This policy was dual price policy. Initiation of dual price policy, however, was not apart from political situation in the period of its initiation. Haggard (1994: 27) argued that Park conducted dual price policy to subsidized farmer. That was because political concern of Park to raise rural people loyalty. Park (1998: 33-34; Saemaul Undong Central Training Institute, 2000: 22) elaborated that rural urban gap was one of political issues in presidential election of 1967. To gain political support, in his campaign Park promise to subsidize farmers through implementing dual price policy.

Through dual price policy government did not only subsidize farmer but also urban workers. During the last 1960s Park also faced a serious political-economic problem in urban area. In 1969, 30 firms went bankrupt (Cummings, 1997: 362). It yielded unemployment problem, which lead to high militancy to against government

policy. Labor demonstration was relatively high (Haggard, 1994: 25). Labor working class undertook strike to maintain a better working condition. Providing rice subsidy for urban working class, then, would reduce militancy as well as help low wage rate in urban area. That was meant that Park initiated dual price policy to respond his political difficulty either in rural or in urban area.

Rural-urban disparity showed up again as political issue in 1971 presidential election. Kim Dae Jung, as Park's opposition raised this issue in his campaign. According to Haggard (1994: 28) Kim emphasized that he would bring equitable distribution of income, undertake agricultural reform, some other issues related to farmers' economy. Kim also raised regional disparity dilemma. Kim stated that the economic growth was more beneficial to Kyongsang province rather than another provinces, particularly Cholla province. The explanation of this phenomenon was because Kyongsang province was the province where Park grew up. As a result of Kim's campaign Park suffered a declined rural political support. Kim defeated Park in the south western region (Hopkins, Puchala, and Talbot, ed., 1979: 156).

Taking account of the deteriorating trend of rural support, particularly in rural area, Park launched Saemaul Undong. From this fact it is clear that the instituting of Saemaul Undong was not because Park express his sympathy as well as his concern to rural economy. It was a political movement to maintain rural loyalty to support Park. Moreover as elaborated at theoretical framework that power holder may decide a certain policy to serve electoral interest. In other words, 1971 presidential election motivated Park to decide Saemaul Undong as a policy to serve his constituents.

However the analysis should not be ended up here. It is interesting to scrutinize the reason of Park to claim that the enhancement of income was due to Saemaul Undong not because of dual price policy. In inauguration speech on December 27, 1972, Park stated:

“Armed with the spirit of diligence, self-help, and cooperation, the Saemaul Undong is steadily narrowing the gap between urban and rural communities” (The Samhwa Publishing, Co.:137).

From his speech above, the interesting phenomenon is not only the substance of his claim was not based the real fact but also the period when he claim. He claimed in 1972, in the period of Saemaul Undong conducting the first step that focused on building physical infrastructure. Saemaul Undong has not implemented its stage that emphasized on income enhancement. That is meant that the performance of increasing farmers’ income in 1972 was belonging to dual price policy.

Park’s propaganda about Saemaul Undong did not only deny the efficacy of dual price policy but also green revolution. He did not include dual price policy as well as green revolution as factors that increased agricultural output as well as farmers’ income. According to Ban, Moon, and Perkins (1982: 45-46) the upgrading of agricultural output in 1970s was due to adoption of high yield varieties, such as *tongil* and high increased utilization of fertilizer and pesticide, and improvement of irrigation. From four determinants mentioned above, Saemaul Undong component was simply irrigation facility. The other component; high yielding variety of paddy, fertilizer, and pesticide were parts of green revolution components.

Therefore it is seem that Park tried to hide dual price policy and green revolution from its existence. Instead of stating that the enhancement of agricultural product as

well as upgrading of rural income were due to green revolution and dual price policy Park stated that it was due to Saemaul Undong efficacy. It is meant that Park Chung Hee wanted to cap up dual price policy as well as green revolution by Saemaul Undong.

Burmeister (1988: 66) argued that Park Chung Hee launched Saemaul Undong to cap up dual price policy. According to Burmeister, Park covered dual price policy with Saemaul Undong because dual price policy was a policy to facilitate *tongil* production drive.

In this research, the researcher prefers to argue that the reason of park to cover dual price policy with Saemaul Undong was because dual price policy caused a huge financial deficit. It was not a good political image to implement a policy with high risk of financial management. At the same time he covered green revolution because green revolution raised inequality between large and small farmers, increased landlessness, and impoverishment of rural society (Szirmai 1997: 267-268). The Korean green revolution particularly in the distribution of fertilizer, was more beneficial to the investor of fertilizer companies rather than to farmers (Lee and Kim, 1991: 385-386).

So far, this research found two motives of Park to initiate Saemaul Undong. The third finding of Park reason to launch Saemaul Undong is more important than the two motives elaborated above. The third motive is park wanted to build “One Saemaul Nation”. Concept of one Saemaul nation refers Park’s effort to control over his nation. This control was conducted through gaining compliance from his populist in one mechanism of control.

In his message to the conference of provincial government, July 30, 1971, Park delivered his speech:

“I also wish to emphasize that that the real hero of rural community is the man who devotes his sweat and blood, without words, to the task of developing his home town or village. Our society is in need of many such community heroes. National construction or development cannot be achieved by those who make fine speeches but do not fit actions to their words” (Message to the conference of provincial governors, July 30, 1971,. Cited by Whang 1982: 46).

Park’s speech reveals he request to his people to work hard without making any protests. If someone worked hard without any protest was a hero. On the other hand if some one protest he was not a hero. It could be interpreted, at least into two interpretations. This request was relevant to the political situation he faced. In the same period Park delivered his speech, Park faced many anti government protests (Haggard, 1994: 25) rate of labor demonstration was relatively high. In 1971 there was 1,656 labor disputes (Cumming, 1997: 363). Second interpretation is Park wanted to cultivate his ideology to rural people to get their compliance. Hero in this sense is hero from Park’s perspective. However it was not a hero in the perspective of someone who demonstrated. As a hero he/she would comply with the one who give the position of hero.

In the same period, at another occasion Park stated

“You (city mayors and county chiefs) must uphold the Saemaul spirit as the basic guideline of national development, and do your best for its universal dissemination. You must in particular seek our young and ambitious workers, and train them as potential leaders in the rural development program.” (Message to Comparative Administration Conference of City Mayors and County Chiefs, September 17, 1971. Cited by Whang 1982: 46).

One interesting concept stated by Park was “basic guideline of national development”. Term of basic guideline of national development is a term refers to

fundamental guidance or procedure in a process of development throughout the country. If Park stated that Saemaul Undong was a basic guideline of national development, which could be interpreted that Park took Saemaul Spirit as the fundamental guidance to develop Korea. This term also reveals park's efforts to uniformize model of development. In this concept, there was no locality variation. One guideline procedure as a model is implemented in every region throughout Korea. This means that park attempt to reduce conflict and gained obedience from his nation.

The second interesting part of the above speech is that park requested mayor and county chief to select ambitious-potential leader to be trained. Since the individual promotion, as elaborated at introduction part, depended on the extent of his/her achievement of Saemaul Undong goals (Ban, Moon, and Perkins, 1982: 276), mayor as well as county chief would search the potential leader to be trained as Park's "hero". It reveals that the appointment of rural development "hero" was conducted through top down mechanism.

The third interesting point is that training is the mechanism to produce the "hero". Since this training was single perspective training, it was possible that the training was Park's instrument to internalize the Saemaul spirit. Through producing hero by training, it would be easier for Park to govern Saemaul Undong.

In expanding Saemaul spirit, Park did not only cultivate Saemaul spirit in rural area but also disseminate in another spheres. As explained in previous part, after initiated rural Saemaul Undong, Park launched labor, school, and church Saemaul Undong. Since Saemaul Undong was a policy to increase income as he stated below,

“The easiest way of explaining it (Saemaul Undong) is to say that Saemaul Undong is a movement for a better life.....What then is living better? Eating well, wearing fine clothes and residing a good house....To realize this better life, the first thing we have to do is to drive out poverty and do away with paucity.....What should we do to exterminate poverty? We should work hard to increase income so that the income of our family and our village can increase” (On may 18, 1972, at a mass rally to encourage farmers and fishermen to increase income through the Saemaul Undong, cited by The Samhwa Publishing, Co.,: 102-103)

It was not by chance Park expanded Saemaul Undong on those three fields. It was reasonable to cultivate Saemaul Undong ideology into labor to increase worker income. However it is difficult to find out the explanation if Park expanded Saemaul Undong into education as well as religion spheres. Therefore, it must be any motive behind this expansion. Park undertook it with plausible reason.

The reason was that those labor, school, and church were the sectors, which the most vocal in their voice to demand democracy and better working condition. Labor, as elaborated before, was actor who militantly demonstrated to maintain the higher wage. In the same period student also demonstrated. Similar to labor, student was considered as steady opposition to Park (Lie, 1998: 77). Labor protests as well as student demonstration were quelled by army troop (see Cummings, 1997: 357-358) but it did not happen to church. Like student and labor, Christian was also against Park rule. However church was untouchable by Park’s military power.

“Korean churches were primary sanctuaries of resistance to Park dictatorship, mainly because even KCIA (Korean Central Intelligence Agency) worried about knocking down the doors of churches with tanks (banging through university gates did not bother the KCIA)” (Cummings, 1997: 371).

Therefore to reduce their militancy and eventually gained their compliance Park cultivated peace and harmonious ideology into those three vocal fields. The end of these efforts were to gain compliance.

One of park speech, which raised a topic, related to relationship between employee and employer expresses the above interpretation.

“The Saemaul Movement as practiced in offices and factories is nothing different...for its basic spirit remains the same: diligence, self help and teamwork There should be close labor-management cooperation, with the company president making an utmost effort to improve pay and welfare, and the later fulfilling their duties with a sense of responsibility and sincerity, doing factory work like their own personal work ...Thereby complete harmony between employees and employers would be made possible...(Cummings,1997: 313)

The above speech implies that park tried to internalize a harmonious relationship between employee and employer. In industrial relations spheres term of harmony refers to relationship could be interpreted that Park undertook effort to abolish conflict between labor-management. That was because conflict labor-management would threaten his political position through any labor demonstrations. In democratic regime, conflict between one element of society and another would not be viewed as a threat of the democracy (Lipset, 1981: 70-71)

To drive out the conflict from surface, one of the methods to do is by achieving national consensus. If every element has the same perspective, opinion, or ideology, there would less possibility of emerging the conflict. As presented below, Park employed Saemaul Undong as an impetus to attain national consensus.

“The Saemaul Undong will provide impetus to achieve a consistent national consensus, which is required for the modernization of our fatherland. It is the embodiment of a great stride ahead for the spirit of May 16th Revolution and for the solidification of our sense of nation identity.” (An address delivered at the

National Awards Presentation ceremony on the occasion of the 11th anniversary of the May 16 1961 Military Revolution, cited by The Samhwa Publishing, Co.:176)

Many studies elaborated that Park expanded Saemaul Undong in labor, school, and church, but in fact park was also cultivate Saemaul spirit into army as well.

“Our persistent effort based on the principles of self-reliance and self-help will enable our Armed Force to posses truly independent capabilities. I hereby simply and clearly define as “the Saemaul Undong of the Armed Forces” the practical goal for strengthening our self-reliant national defense posture, and I strongly exhort all members of our Armed Forces to launch this movement aggressively.” (An address delivered on the 25th Armed Forces day on October 1, 1973, cited by The Samhwa Publishing, Co.:145)

Park did not only expand Saemaul Undong into army sphere but also into sport field. In an address delivered on the opening the 54th National Athletic Games, October 12, 1973 Park stated:

“At this gala festival of the nation, vigorous and stout youth from throughout the country are to exert them selves to demonstrate fully their talents and strength and spirit of unity, for the acquisition of which they have so painstakingly toilet and trained..... The saemaul spirit of collaboration and unity, however shone brilliantly here.....This is solely the result of unwavering efforts and close cooperation and unity so beautifully..... This certainly can be cited as a most exemplary case of success in which the Saemaul spirit of self-help and cooperation has bloomed into proud triumph.” (An address delivered on the opening the 54th National Athletic Games, October 12, 1973. cited by The Samhwa Publishing, Co.:150-151)

Those efforts imply that park tried to disseminate Saemaul Undong spirit into any field he felt possible.

Even he also attempted to expand Saemaul Undong in Asia Pacific region. In an address delivered before ASPAC meeting he spoke:

“Today, Korean throughout the nation are participating, with much devotion and enthusiasm in we call Saemaul Undong. This movement has been motivated by spirit of industry, self-help and cooperation. As I said earlier, this spirit corresponds with the basic spirit ASPAC. This campaign represents an approach and endeavor on our part to modernize the country and eventually to further our contributions to the realization of peace and prosperity in the Asian and pacific region....through undertaking such as the Saemaul Undong, will continue to try every path, and seek every avenue, toward peace and progress in the region and eventually throughout the world.” (An address delivered before ASPAC Meeting on June 14, 1972. cited by The Samhwa Publishing, Co.:.: 76)

Those all reveal that Park tried to disseminate Saemaul Undong ideology to any field and area he though possible. Through cultivating Saemaul Undong spirit as wide as possible, it would be easier for Park to get compliance throughout his nation.

IV. Conclusion and Recommendation

IV.A. Conclusion

The entire analysis above leads to conclusion that Saemaul Undong did not increase rural community income. The result of analysis shows that without Saemaul Undong farmer income increased after the initiation of dual price policy. Therefore the variable that raised rural people income was dual price policy. In addition, Saemaul Undong was not enable Korea to achieve rice self-sufficiency as well as could not restrain migration flow from rural to urban area. The last point of conclusion is that Park Chung had political motive behind the initiation of Saemaul Undong.

The main different features between Saemaul Undong and dual price policy was that Saemaul Undong involved a certain magnitude of expenditure meanwhile dual price policy did not. The significance of agricultural expenditure in deteriorating agricultural terms of trade occurred because Pak Chung Hee implemented Saemaul Undong together with green revolution. This conclusion is based on the fact that during implementation of Saemaul Undong, the utility of three agricultural inputs: high yield variety, pesticide, and chemical fertilizer were relatively high. It seemed that that Park mixed between Saemaul Undong and green revolution. The reason was: since many technical-agricultural problems, it was difficult for Park to increase rice production without involving green revolution. Unfortunately, green revolution demands farmers to utilize those three agricultural inputs. Farmers had to purchase them in urban area. It deteriorated terms of trade. Moreover it happened in the same period of first and second

oil shock. One of the aftermath of oil shock was the degree of deteriorating term of trade worse off because oil shock raised the price of industrial product such as fertilizer.

Instead of bearing a certain cost to farmer, dual price policy providing subsidy to farmer. Since the subsidy was distributed through purchasing rice, it increased agricultural terms of trade. Term of trade increased significantly in 1969. That period was the period when Korean government increased its subsidy to farmer more than 300%. The enhancement of terms of trade went unwaveringly until 1973. However, when Saemaul Undong focused its project to increased agricultural production in 1974-1976, it deteriorated terms of trade. This suggested that determinant increasing rural income was dual price policy.

The above fact reveals that Saemaul Undong as strategy of rural community development did not treat rural and urban as one economic system. This system is important to convince that any changes on an entity of the system could be followed by adjustment the system so between one element and another always in a balance relationship. Case of price management was the case shown that Saemaul Undong did not treat rural-urban as one economic system.

The fact that Korea achieved rice self sufficiency after Saemaul Undong was not implemented anymore but still in the period of implementing dual price policy reveals that Saemaul Undong could not help Korea to attain rice self-sufficiency. That is meant that dual price was the variable of attaining rice self-sufficiency. The other unsuccessful implementation of Saemaul Undong was Saemaul Undong could not restrain migration

flow to urban area. The indicator was that there was no significant change of migration trend before and after Korean government conducted Saemaul Undong.

Even though Saemaul Undong was implemented unsuccessfully, Park claimed Saemaul Undong increased rural income. There are at least two explanations. First explanation relies on Park's main indicator of attaining Saemaul Undong's goal. The success of conducting Saemaul Undong projects was measured by the amount of physical achievement. Saemaul Undong's physical outcomes showed that Park emphasized on quick result and flashy show. It seems that park wanted to create image of modernity and success (Jacob, 1985: 109).

Concept of physical achievement covered concept of beautification. It seem that park was obsessed to beautify his country. The indicator was that Park invested the budget for the first stage of Saemaul Undong almost 100% for beautifying Korea.

This obsession is the main idea of second explanation. Park not only did want to beautify Korea physical sphere but also in political sphere. Park wanted to beautify political image of dual price policy as well as green revolution. Park has never stated that dual price policy increased rural income. Also, park did not say that agricultural output grew up due to green revolution. Instead of stating that dual price policy raised farm income and green revolution upgraded agricultural product, Park claimed those were because of Saemaul Undong efficacy. That was because dual price policy as well as green revolution was not "beautiful". The reasons were that dual price policy engendered financial deficit for Korean government. At the same time green revolution resulted new inequality in rural level: inequality between large farmer and small farmer.

The other "unbeautiful" of green revolution: green revolution was more beneficial the one who invested in distribution of high yield varieties, pesticide, and chemical fertilizer.

The second explanation above is one of political motive of Park initiated Saemaul Undong. The second political motives were: Park launched Saemaul Undong to maintain political support. Political situation faced by park suggested to Park to decide a policy to serve rural people so that rural people contributed their vote to legitimate Park took authority. Gaining legitimacy through election is the key point to get compliance from subordinate. That is because subordinate simply obey voluntarily to legitimated ruling power.

The last political motive was: Park wanted to establish "one Saemaul nation". Concept of "one Saemaul nation" basically is not different from concept of "one farm" stated by Wade (1982: 5). Concept "one Saemaul nation" refers to an ideology built by Park through cultivate Saemaul spirit into every field as well as region Pak felt possible to cultivate. The main objective was is to get compliance throughout his nation.

Many studies elaborated that Park disseminate Saemaul Undong spirit into industrial, education, and religion spheres through initiating factory Saemaul Undong, school Saemaul Undong, as well as church Saemaul Undong. However, in fact Park expanded Saemaul Undong more than those three sectors. Park also disseminated Saemaul Undong into sport as well as military spheres. The reason of Park cultivated Saemaul Undong into factory, school, and church because Park want to get obedience from workers, students, and Christian. During his period of taking authority, students,

workers, as well as Christians were the most militant element of Korean society who demonstrated against Park rule. Through cultivating Saemaul Undong ideology, which taught cooperation, peace, and harmony, Park expected that they would obey voluntarily to his rule.

Park did not end up his efforts to disseminate Saemaul Undong ideology into Korea. He also tried to cultivate Saemaul ideology into Asia Pacific region. This is meant that Park undertook his effort in any fields as well as regions he thought possible. Therefore it is not exaggeration to conclude that Park created “one Saemaul nation” to disseminate Saemaul Undong ideology throughout his country to get compliance from his nation.

Park efforts in disseminating Saemaul Undong into Asia Pacific brought Saemaul Undong as international phenomenon. Nowadays, this phenomenon is kept by regimes after Park took authority. Korean government disseminates Saemaul Undong ideology by providing scholarship to train to public policy decision makers from around the world. The institution that trains them is the same institution, which was employed by Park to train Saemaul Undong leaders. This phenomenon reveals that Korean regimes go hand in hand to disseminate Saemaul Undong around the world. It goes beyond the differences of regimes’ political interest. They do it not for their regime. They do it for their nation interest. They do it for Saemaul Undong.

IV.B. Recommendation.

Implementation of Saemaul Undong was a manifestation of government intervention to manage local resources in rural area. Concept of managing local resources is how to use local human resources, natural resources, and economical resources so that those resources make local people. One point should be highlighted is that government should not intervene in unlimited period. If local people already can manage by themselves, government should end up its intervention. In this case, mechanism to prepare local people so that they could manage rural community development after government does not intervene anymore is important.

Saemaul Undong measured its success on physical achievement. Based on the above argument, it did not prepare local people to be subject of development. Therefore, it would be better for Korean government to employ its success indicators on how to make local people self-reliant. If local people are self-reliant, they would be able to make decision by themselves and social-economically would not depend up on another entity. This is important to make sure that after intervention is ended up, local people are able to manage local resources by themselves.

The main idea is how to engender sustainability in the process of rural community development. Local people would be able to assess and formulate their need, understand what they have, eventually know how to fulfill their need by managing their belonging. The preparation could be undertaken through a mechanism that enable local people to make decision, assess and formulate their need, identify their resources, and how to manage their resources so that next generation has the same opportunity to use

the resources as that of current generation. The researcher believes that if the empowerment above goes well, rural income generation would emerge automatically.

The income generation, however, would be meaningless for rural people if it does not increase their purchasing power. Suppose that rural income increase. At the same time price of urban product also increase. That is meant that price received by rural people does not enhance rural people capability to purchase urban good as well as urban service. In this respect, role of government to make sure that rural income enhancement would followed by upgrading purchasing power is important. Since Saemaul Undong did not involve mechanism of purchasing power enhancement, it is necessary for Korean government to enhance rural people purchasing power.

It could be undertaken by managing price of rural-urban products so that change of in any one of those products would not deteriorate agricultural terms of trade. The basic consideration is that rural development should enable price received farmer is not lower than price paid by farmer. In this case government should pay attention on how to manage agricultural output. The high supply of food to urban area, for instance, would deteriorate terms of trade. That is meant that Korean government should treat rural-urban as one economic system. This system would guarantee that any changes on price in one region would be followed by any adjustment on the other area.

The last recommendation is about willingness of Korean government to open new discourse on Saemaul Undong. Based on the conclusion of this research, claims and propogandas of Park Chung Hee were not true. Unfortunately, nowadays Korean government disseminates Park's propoganda through providing scholarship for public

policy decision maker from around the world to take training on Saemaul Undong. Hence, to a certain extent Park propaganda is true public discourse.

Taking account of this circumstance, Korean government should facilitate so that every element of society has a good access to understand the true story of Saemaul Undong. It could be undertaken through changing the system of training on Saemaul Undong. The training should not only from government perspective but also from perspective of non-governmental organization as well as other civilian organizations. The other agenda is, Korean government should facilitate any researches on Saemaul Undong and academic activities related to Saemaul Undong.

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