

# 2015 Modularization of Korea's Development Experience: Informing the Public on Policy Issues and Promoting Economic Literacy

2015



MINISTRY OF  
STRATEGY  
AND FINANCE

**KDI**<sup>7</sup> Korea Development  
Institute



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2015 Modularization of Korea's Development Experience:  
**Informing the Public on Policy Issues  
and Promoting Economic Literacy**

## 2015 Modularization of Korea's Development Experience

# Informing the Public on Policy Issues and Promoting Economic Literacy

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2015 Modularization of Korea's Development Experience

# Informing the Public on Policy Issues and Promoting Economic Literacy



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# Preface

The study of Korea's economic and social transformation offers a unique window of opportunity to better understand the factors that drive development. Within approximately a single generation, Korea transformed itself from an aid-recipient basket-case to a donor country with fast-paced yet sustained economic growth. What makes Korea's experience even more remarkable is that the fruits of Korea's rapid growth were relatively widely shared.

In 2004, the Korean Ministry of Strategy and Finance (MOSF) and the Korea Development Institute (KDI) launched the Knowledge Sharing Program (KSP) to assist partner countries in the developing world by sharing Korea's development experience. To provide a rigorous foundation for knowledge exchange engagements, KDI School has accumulated case studies through the KSP Modularization Program since 2010. During the first five years, the Modularization Program has amassed 138 case studies, carefully documenting noteworthy innovations in policy and implementation in a wide range of areas including economic policy, administration-ICT, agricultural policy, health and medicine, industrial development, human resources, land development, and environment. Individually, the case studies convey practical knowhow and insights in an easily accessible format; collectively, they illustrate how Korea was able to kick-start and sustain economic growth for shared prosperity.

Building on the success during the past five years, we are pleased to present an additional installment of six new case studies and two e-content topics completed through the 2015 Modularization Program. The six reports employ a wide range of examples to better illustrate the continued efforts to improve the effectiveness of managing the incumbent policy and management. The new case studies continue the tradition in the Modularization Program by illustrating how different agents in the Korean society including the government and civil society organizations worked together to find creative solutions to challenges for shared prosperity.

More specifically, these efforts include strengthening social communication between government and the people for sustainable growth through economic education; as well as open-door policies and measures to ensure fiscal stability while achieving sustainable growth in today's globalized world; and painstaking efforts to reform the financial industry

using the real-name financial system for fairness and equity; the informatization of personal information to increase effectiveness of public services; building up a national early warning system for fiscal stability and soundness.

Further contributing to knowledge sharing, the e-contents section features videos delving into Korea's export-oriented growth, often cited as a key government strategy that facilitated Korea's period of rapid development; and the gaming industry, a key success story in the sector for cultural contents. We also proudly note that the World Bank Group's Open Learning Campus (OLC), which will be launching in January 2016, has confirmed that it will feature the fourteen e-content programs built by the modularization program thus far.

I would like to express my gratitude to all those involved in the project this year. First and foremost, I would like to thank the Ministry of Strategy and Finance for the continued support for the Modularization Program. Heartfelt appreciation is due to the contributing researchers and their institutions for their dedication in research, to the former public officials and senior practitioners for their keen insight and wisdom they so graciously shared as advisors and reviewers, and also to the KSP Executive Committee for their expert oversight over the program. Last but not least, I am thankful to each and every member of the Development Research Team for their sincere efforts to bring the research to successful fruition, and to Professor Taejong Kim for his supervision.

As always, the views and opinions expressed by the authors in the body of work presented here do not necessarily represent those of KDI School of Public Policy and Management.

**December 2015**

**Joon-Kyung Kim**

**President**

**KDI School of Public Policy and Management**



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## Summary

The Republic of Korea's rapid social and economic transformation has been called "a miracle." Without abundant natural resources, Korea also had to overcome the devastation of the Korean War, which broke out in 1950. Korea has encountered numerous failures and difficulties in achieving rapid social and economic development.

Despite these challenges, Korea was able to become a global economic leader on the back of the efforts of the Korean people and government. One of the major policy initiatives has been the promotion of economic education since the 1980s. The economic education initiative was not just government policy. It was innovative at the time and helped to advance Korea's economy. This case study seeks to provide an in-depth examination of Korea's economic education policy to draw important insights and lessons from Korea's experience.

During the early 1960s and the late 1970s, most policies in Korea were focused on growth. Korea's "growth-first" development strategy led to rapid growth; but it also led to serious side-effects in Korea's economy. The rapid growth of investments, which grew by 15% in 1976, 27% in 1977, and 41% in 1978, resulted in persistently high inflation. High inflation led to lower real wages despite the growth of nominal wages. This led to a vicious cycle of higher inflation and ever increasing wages. The government also implemented a dual pricing system for rice by purchasing rice at high prices and selling it at lower prices, as part of efforts to support the income of farmers and to maintain stable prices in urban cities. Consequently, these policy measures worsened the government's fiscal condition.

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The oil shocks of the 1970s only worsened the state of Korea's economy by burdening companies and ordinary people with higher oil prices. It was a difficult time for Korea's economy. Its future seemed uncertain without changing its development strategy of "growth-first." However, the idea of replacing the growth-first strategy by adopting a new development strategy seemed unnerving for not just policy makers but also the business community and the general public.

To ready the nation and its people to a new economic model of stability-first, the government initiated an education program to raise public's awareness and understanding of important economic and public policy issues. In April 1979, the government led by the Economic Planning Board (EPB) announced a set of transformative policy measures aimed at stabilization, liberalization, and market opening under the Economic Stabilization Policy. The economic education program played a critical role in the successful implementation of the government's stabilization policy by addressing growing public concerns that the policy would negatively impact wages, and agricultural markets and prices.

The Korean government instituted an organization dedicated to economic education within the EPB. The organization gradually expanded and collaborated with research institutes such as the Korea Development Institute (KDI), which was involved in developing economic textbooks. Easy to understand literature on economic policy issues was developed using visuals such as cartoons to explain difficult economic concepts. Economic textbooks were also developed for various audiences. These educational materials were used by policy makers and experts to raise the public's knowledge and understanding on public policy issues. The use of televised media aided greatly the Korean government's efforts to raise the public's awareness and understanding of public policy issues.

The Korean government's efforts on educating the public have impacted hundreds of people, including ordinary citizens, government workers, and servicemen. Documentaries were effective means of many voicing different views and deepening the public's understanding of public policy issues. Many experts including Nobel Laureates were involved in developing economic education materials. The main goal of the education program was to raise the public's knowledge and understanding of the Korean economy. It also sought to support the implementation of the government's stabilization policy of reducing inflation from 10 to 25% annual increase to below 10%. The successful implementation of the economic stabilization policy, which led to wage freezes, reduction of farm subsidies, and fiscal tightening, was made possible by the willingness of the public to share the burden.

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Beginning in the late 1980s, the Korean government started focusing on promoting economic literacy in Korean schools by developing economic curriculum for elementary, middle and high schools. The economic curriculum focused educating students on the application rather than the theory of economics.

In conclusion, Korea's efforts in promoting economic literacy played a critical role in supporting the government's policy efforts to achieve economic stability after years of high inflation in the 1980s. This allowed the government to change its policy direction of "growth-first" to economic stability. In implementing its policies, the government recognized, and Korea's experience of the 1980s and 1990s showed raising the public's knowledge and understanding on critical public policy issues was crucial to building national consensus. Beyond supporting better policy outcomes, Korea's efforts to promote economic literacy have had an immeasurable impact on the lives of the Korean people who now have a better understanding of markets, prices, and workings of the economy. Korea's experience offers many valuable insights and lessons for other countries; in that, it is important to inform the public and raise their understanding of public policy matters when implementing a national development strategy and achieving desired outcomes.



2015 Modularization of Korea's Development Experience  
Informing the Public on Policy Issues  
and Promoting Economic Literacy

# Chapter 1

## Introduction

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# Introduction

Faced with a wide range of social and economic challenges associated with Korea's rapid transformation in the 1960s~70s, there was a major shift in economic policy direction in the 1980s to ensure sustainable growth. This study focuses on the Korean government's national economic education program which played a vital role in supporting and carrying out new economic policies and reforms.

To this end, this study explains why and how the national economic education program was established in the 1980s in Korea, and analyzes its impact. The study discusses the educational content and target audience groups of the program. It also examines the evolution of the economic education program in the post-1990s period. One of the goals of this study is to examine how the government engaged and educated the public to support the implementation of major policy and reform measures. Finally, it offers some insights and lessons for developing countries based on Korea's experience.

The study examined primary sources such as government documents, news articles and teaching materials. It also includes interviews of policy makers and experts who were involved in establishing and conducting the national economic education program.

The study examined government documents to better understand how the program was conducted. It also assessed the effectiveness of the educational content and curriculum used in the program. Lastly, a variety of information source including interviews, and public survey results and news articles from the 1980s, provided greater detail and insight into the public's and media's view of the education program.

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This study also seeks to assess how relevant Korea's experience in implementing a national economic education program is to developing countries. Specifically, it seeks to better understand how the lessons of Korea's experience of the 1980s may apply in other developing countries considering differences in levels of income, technology, and political systems.

Keeping in mind the social and economic differences, this study hopes to draw insights and lessons from Korea's experience in implementing its economic education program for developing countries. It hopes to offer practical lessons for developing countries that seek to institute their own national economic education program to support policies and reforms.



2015 Modularization of Korea's Development Experience  
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## Chapter 2

### How and Why the Economic Educational Program was Established

1. Background
2. Engaging the Public

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# How and Why the Economic Educational Program was Established

## 1. Background

Today, Korea is the 10th largest economy in the world with annual trade of USD 1 trillion. Korea's rapid economic growth achieved in less than 60 years following the devastation of war has been called the "miracle of the Han River." Korea was one of the poorest countries in the world 60 years ago. In 1945, Korea was liberated from Japanese colonial rule. It then came under the rule of the US military government. In 1950, the Korean War broke out, which devastated the entire country. In the aftermath of war, Korea was reliant on US foreign aid, which accounted for a majority of the government's revenue. The country's poor financial state and lack of resources to promote economic development led to widespread poverty.

The Korean military government took power in May 1961 and the EPB was established in July of the same year. The EPB was primarily in charge of long-term economic development planning and budgeting, which included inducing foreign capital. Early in its development, Korea's development strategy was growth-oriented.

From 1961 to the end of 1970s, Korea experienced unprecedented rapid development, achieving an annual growth rate of 8.9%. Exports grew by over 40% annually. During 1966-1970, Korea had the fastest growth rate and one of the biggest exporters in the world. It also had the second best employment growth rate. Since the establishment of the EPB in 1961 until 1990, Korea's Gross National Product (GNP) increased by 113 times from USD 2.1 billion to USD 2.379 trillion. The country's GNP per capita grew by 68 times from USD 82 to USD 5,569.<sup>1</sup>

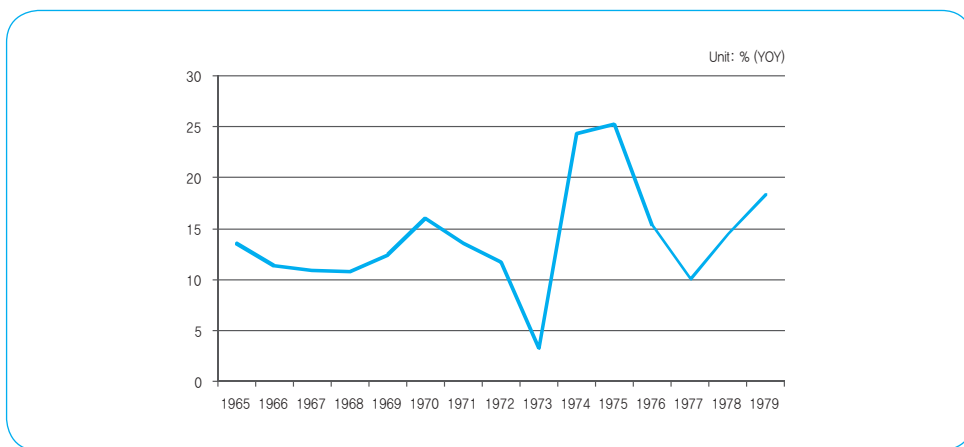
1. Korea Economy History Compilation Committee, 2013, "*Korean Miracle*," Nanam.

In 2015, Korea's Gross Domestic Product (GDP) per capita was approximately USD 30,000 and the country's total exports exceeded USD 500 billion. In 2011, Korea's trade volume reached over USD 1 trillion. Korea has achieved rapid social and economic development. A variety of factors can be used to explain Korea's dramatic transformation, one of which was solidarity among the Korean people and the government, which was backed by strong political will to and commitment to Korea's development.

However, Korea's rapid development has not been without various side effects such as periods of hyper-inflation and fiscal instability. For about 10 years in the early 1960s, Korea was focused on utilizing its comparative advantage by developing capital-intensive light industries such as the production of textiles, plywood and wigs. In 1973, the Korean government implemented a new strategy of developing the heavy and chemical industries, despite not having a clear comparative advantage. The heavy and chemical industry policy put a great deal of pressure on the country's economy, resulting in persistently high inflation.<sup>2</sup> The oil shocks of the 1970s only hastened the need to structurally change Korea's economy.

Policy makers were debating the need to stabilize prices by shifting policy direction from growth-first to market-based economy. This meant pursuing liberalization measures to open the highly protected agricultural sector and deregulate the financial market. The government had to change its rice subsidy program. It also had to slowdown price and wages increases to tame inflation.

Figure 2-1 | Korea's Consumer Price Trend (1965~1979)



Source: Statistics Korea.

2. Justin Yifu Lin, "Economic Development and Transition", Cambridge, 2009, p83-84.

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Still, many within business, government, and society believed that priority should be put on achieving rapid economic growth. As such, the task of making such a policy shift presented a daunting challenge. Around the mid-1970s, the EPB and KDI advocated the need to focus on stability and transition Korea's economy; however, the attempt to change policy direction fell short due to the lack of public awareness and support. Mr. Gong-II Sa recalled the circumstances at the time:

*“Around the 1960s and the 1970s, it was time for Korea to change its economic policy direction. High inflation became a big policy issue at the end of the 1970s and in the early 1980s. It was a by-product of increased investment and liberalization efforts, and expansion of the money supply. Moreover, world economic conditions turned out to be different from what was forecasted when the government pushed the development of the heavy and chemical industry in the early 1970s. Later on, we found out that there was over investment and inefficient allocation of resources.*

*Despite the serious challenges of the late 1970s, the Korean government remained growth-driven. KDI carefully recommended the need to shift policy direction to stabilize the economy. The Economic Planning Bureau in the EPB also shared this idea. President Park, Jung-Hee began to come around to the idea of changing policy direction right before his death.*

*After the death of the President, the economic situation worsened. In 1980, extremely cold weather resulted in a poor harvest for farmers, reducing their harvest from 504,000 kilograms to 404,000 kilograms. As the second oil shock hit and oil price increased by 2 to 3 times, Korea's economy contracted by -1.7%. It was the first time a negative growth rate was recorded since the economy began its ascent.*

*Negative economic growth and worsened balance of payments caused by the oil shock led to inflation to grow by double digits. Under these circumstances, there were calls for tightening the country's fiscal policy despite the tremendous social and political costs it would have. However, it had to be done to stabilize the economy and return to a more sustainable growth path.*

*In this context, Korea's Fifth Republic advocated stable growth and sacrifice on the part of Koreans and the government to stabilize the economy. When the government pays a higher price for rice, it also contributes to higher prices for consumers and wages for workers. So, the entire nation had to support and get behind since it impacted everyone.”*



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In April 1979, the EPB announced a set of economic stabilization measures as part of efforts to change policy direction. However, it was difficult to implement the policy measures because of pushback from various stakeholders. Some have said that President Park, Chung-Hee was still reluctant to shift away from the growth-first strategy even until his death in October 1979.

Despite calls by the experts to shift policy direction to a more stable growth model, it was going to be a monumental task changing the nation's mindset of growth-first. Meanwhile, Korea's economic condition continued to deteriorate, increasing the need for change.

## 2. Engaging the Public

After 20 years of rapid growth, Korea suffered a difficult period economically and politically. Higher oil prices due to the second oil shock and an inflation rate of 20% in part due to higher rice prices worsened Korea's fiscal condition. The death of President Park, Chung-Hee in October of that year led to huge political and economic uncertainty since he played such a big role in Korea's development.

In 1980, labor disputes intensified leading to greater social and economic instability, which worsened following the events of Gwangju's Democratic Uprising in May. Economically, Korea suffered its first negative economic growth rate in 20 years amid a surge in the inflation rate of 30 % on the back of the oil shocks. The situation for ordinary Koreans also worsened with the cold weather's impact on the harvest. Amid the difficult situation, Korea began to boil over around 1979~1980.

The time had come for Korea to change policy direction, from growth-first to sustainable, in order to address the negative side-effects of rapid growth. In April 1979, the EPB announced its Economic Stabilization Policy with the goal of promoting liberalization, openness and privatization. However, it faced strong pushback from various stakeholders. It was also opposed by the Korean President. So the policies and reforms were not implemented right away. The EPB also began its campaign to inform the public and raise awareness of the government's economic policies by publishing educational literature.

When Chun, Doo-Hwan was inaugurated as the President of Korea in October 1980, the national awareness campaign to inform the public gained steam. Mr. Jae-Ik Kim, chief economist at the time, played a pivotal role in advocating economic stabilization, and in supporting efforts to inform the public of the government's Economic Stabilization Policy. He was also known to have been President Chun's economic advisor when the president was a general.

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President Chun himself once remarked: “knowing the economic theory without having practical knowledge of economics and government officials, military servicemen, and workers need to for Korea’s economy to be competitive in the global economy.... it doesn’t matter how good a policy is, because it cannot succeed without gaining the support and understanding of the public by informing them of the policies.” Moreover, the President recognized the importance of informing the public and building public support: “workers should also have knowledge about Korea’s economy in the global context, and contribute to raising the country’s competitiveness.” In 1979, the EPB initiated its campaign to inform and educate the public on economic policy matters. These efforts were expanded and became government programs in the mid-1980s with the support of the Korean President.

Indeed, former Minister of Finance, Mr. Gong-Il Sa, discussed the importance of informing the public on economic issues: “knowledge and understanding of the economy matters. Even today, it is important to inform and educate on how the world economy works, and what we need to do to develop. At the time, there was no evidence suggesting that developing countries could implement transformative policies without also changing peoples’ knowledge and understanding.”

The main goal of the national campaign was to deepen the public’s knowledge and understanding of economics and policy issues, at a time when Korea had to make transformative changes. The government’s commitment, backed by the President and top policy makers, made it possible not to only expand the reach of the campaign but also improve the quality of economic information and education.

2015 Modularization of Korea's Development Experience  
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## Chapter 3

### Evaluation of the Economic Educational Program

1. Program's Development
2. Economic Educational Initiatives

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# Evaluation of the Economic Educational Program

## 1. Program's Development

### 1.1. From Informing the Public to Economic Literacy

During Korea's rapid development in the 1960s and the 1970s, the efforts in designing and implementing economic policies were largely led by the government. The public was informed of the government's policies indirectly through the media. This method of communicating with the public was not effective in facilitating understanding and support of the public on policies issues. Although the information was well organized and easy to understand, it did not expect to achieve the goal of informing the public and increasing their understanding of the economy and public policy issues as expected.

Korea's rapid growth led to rapid social and economic transformation; people made more income, were more educated, and more participatory society. As discussed in the previous chapter, the voice of ordinary Koreans grew and the public became more concerned about issues that impacted them such as rising prices and their wages, which were a by-product of Korea's rapid economic growth.

Against this background, it became more difficult to build public understanding and consensus on economic policy issues. The government recognized that traditional methods of communicating with the public were no longer effective and that a new strategy was needed to better inform the public. This was the beginning of Korea's efforts to promote a national campaign to inform the public and raise awareness of economics and public policy issues.

The efforts to inform the public on changes to the government rice subsidy program serves as an example of how the government sought to educate the farmers and the public while the economic stabilization policy was being implemented. Korea faced a large fiscal deficit that was 6% of GNP, largely due to the rice subsidy program.

To address the increase in the price of rice was a challenging issue.

Figure 3-1 | A News Article on Rice Prices in 1981



In 1981, government announced that rice prices would only increase by 14%, an increase of 22% and 25% compared to 1979 and 1980, respectively. The Minister of Food, Agriculture, Forestry and Fisheries (MIFAFF) stated that the lower than expected increase in price was part of the government’s efforts to stabilize the economy, despite concerns from farmers.

Source: Daily Mail, 30, Oct. 1981.

## 1.2. Program’s Basic Goals

As stated in its plans drafted in 1981, the goal of the national program to inform the public and increase their knowledge and understanding of the economy and public policy issues.<sup>3</sup> Particularly, the government wanted to raise the public’s awareness by promoting economic education.

The following describes the basic principles of the program.

First, the economic information program’s is to promote civics and to sustain it as a national economic campaign to reach a wide audience through mass media. Second, the

3. Prime Minister of Administration and Coordination, 1981, “Economic Education Master Plan.”

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program will be led by the EPB and implemented by each ministry. Third, the goal of the program is to target the whole nation and maximize participation while maintaining its autonomy. Fourth, the program will deliver customized information and content based on the needs of its audience and feedback from policy makers, experts, and public opinion leaders. Fifth, the program established by each ministry and institution will be linked and implemented in a consistent manner.

As seen in the basic principles, the program was designed by the government, but it was not implemented in a top-down manner. Instead, it emphasized the importance of maintaining autonomy and promoting public participation and open discussion. Indeed, policy makers believed that the program would not be sustainable if it was a one-off effort; rather it had to be deliberate and systematic to have a sustained impact.

### 1.3. Development and Delivery of the Program

According to the Economic Education Master Plan (1981), the plan clearly defined the roles of the government, businesses, and the public in implementing the plan.

The program was designed to build public understanding and support of the government's "stabilization policy" by establishing "national tasks." First national task was to address the issue of high inflation. In addressing this, the experiences and lessons in stabilizing prices of advanced countries such as Japan and Germany were promoted as a way to explain how Koreans can contribute to stabilizing prices by sharing the burden. Second, the program sought to deliver the message that everyone had to be "willing to share the financial pain." It was important for the public to understand that the new economic stabilization policy would impact everyone including the government, businesses, farmers, and consumers. Third, the program sought to inform the public of the importance of financial savings and buying domestic goods and how this impacted the nation's balance of payments.

The program also targeted the business community under another national task. Its goal was to help enhance the country's productivity and competitiveness in the global economy by promoting programs that discussed the importance of cost and energy savings, quality improvement, and technology and innovation. The program also discussed about price stability and productivity through topics such as harmony between labor and capital, wage rise restraints, and increase of the agricultural productivity and nonfarm income. In particular, it emphasized the risks and dangers of high inflation on workers and farmers. The program also targeted households by promoting education literature on being thrifty and benefits of saving money.

The government’s role was defined as building public trust and presenting a vision by addressing fiscal policy issues, maintaining policy consistency, and communicating effectively with the public to promote understanding and support of its policies.

**Table 3-1 | Economic Education Master Plan**

Economic Agents	Main Tasks
National Tasks	A. Tackle High Inflation <ul style="list-style-type: none"> <li>• To inspire confidence that the prices can be stabilized if the public shared the burden, similar to Japan and Germany</li> </ul> B. Committed to burden sharing <ul style="list-style-type: none"> <li>• Businesses, workers, farmers, households and the government</li> </ul> C. Building Public Solidarity to Improve Balance of Payments <ul style="list-style-type: none"> <li>• Promote importance of expanding exports and the benefits of savings and buying domestic goods</li> <li>• National participation is imperative</li> </ul>
Businesses	<b>Improving Korean economy’s Productivity and Competitiveness</b> A. Cost and Energy Saving <ul style="list-style-type: none"> <li>• Show casing success stories in the business community</li> </ul> <b>Analysis and Reports</b> B. Quality Improvement <ul style="list-style-type: none"> <li>• Japanese technology and Quality Control (QC) effects</li> <li>• QC Movement</li> </ul> C. Technology and Innovation <ul style="list-style-type: none"> <li>• To Promote the development of technologies</li> <li>• Study on skilled workers</li> </ul>
Workers and Farmers	<b>Price Stability and Productivity Improvement</b> A. Harmony between labor and capital <ul style="list-style-type: none"> <li>• Japan’s Case – The Secret of Japanese Prosperity</li> <li>• Improving Work Conditions</li> </ul> B. Wage Rise Restraints <ul style="list-style-type: none"> <li>• Impact of Inflation on workers and farmers</li> </ul> C. To Increase Agricultural Productivity and Non-farm Income
Households	<b>Benefits of Thrift and Household Saving</b> A. To Emphasize the Benefits of Frugality and savings B. To Make Saving a Way of Life <ul style="list-style-type: none"> <li>• Applying the values of thrift in Korean’s daily economic lives</li> </ul>
Government	<b>Build Public Trust</b> A. Public Trust <ul style="list-style-type: none"> <li>• Leading by Example – Fiscal Efficiency</li> <li>• Consistency of Policies</li> <li>• Effective Communication to gain public understanding and support</li> </ul> B. National Vision for the Future <ul style="list-style-type: none"> <li>• Perseverance and Hope</li> </ul>

Source: Prime Minister’s Administrative Coordination Office, “Economic Education Master Plan,” 1981.

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## 1.4. Delivery of Economic Educational Content

A variety of methods were employed to inform the public on policy issues and increase economic literacy.<sup>4</sup> Firstly, the economic information and educational content was broadcasted via TV and radio programs in the form of public announcements, educational and entertainment programs, and the news. In addition, printed media such as news articles and columns were also used to promote the program.

The program also developed economic educational curriculum for public organizations, economic institutes, businesses, and schools. The government provided guidance on facilitating the activities such as policy councils, conferences, seminars and debates.

The economic educational program used the model of ‘leading by example,’ first starting with government officials and workers, and public opinion leaders, before reaching out to the general public. The Korean President emphasized that the content should be easy to understand for everyone, including elementary school students.

All the educational activities of the program were reported, and the implementing organizations were evaluated on their effectiveness. This also includes the educational programs for military servicemen. In addition to the importance put on developing impactful educational content, the monitoring and evaluation of the program was crucial in achieving effective policy outcomes.

## 2. Economic Educational Initiatives

### 2.1. Government’s Program

The EPB played a central role in promoting the public’s understanding of the economy and policy issues, since it sought to build public support and consensus in implementing the economic stabilization policy.

In fact, the EPB had been conducting an educational campaign leading up to the announcement of the stabilization policy in April 17<sup>th</sup>, 2016. It published an informational booklet titled “New Strategies for the 1980s,” which was the first of its kind, and created for the Korean President’s New Year inspection tour. The literature was broadly disseminated to ministries and government institutions, economic organizations, and the media, to inform the public.<sup>5</sup>

4. Prime Minister of Administration and Coordination, 1981, “Economic Education Master Plan.”

5. Kim, Heung-Ki, 1999, “The Glory of Korea’s Economy,” Maeil Business Newspaper.



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The public awareness campaign was launched with the full support and backing of Korean President Doo-Hwan Chun. Recognizing the importance of building public understanding and support for the government's stabilization policy, President Chun made the campaign a national initiative. In 1981, the Minister of the EPB established the Economic Policy Promotion Office, which was headed by the Assistant Deputy Minister of Finance. Despite its humble beginnings, the office had a significant impact and influence on shaping the future of the program and economic literacy in Korea.

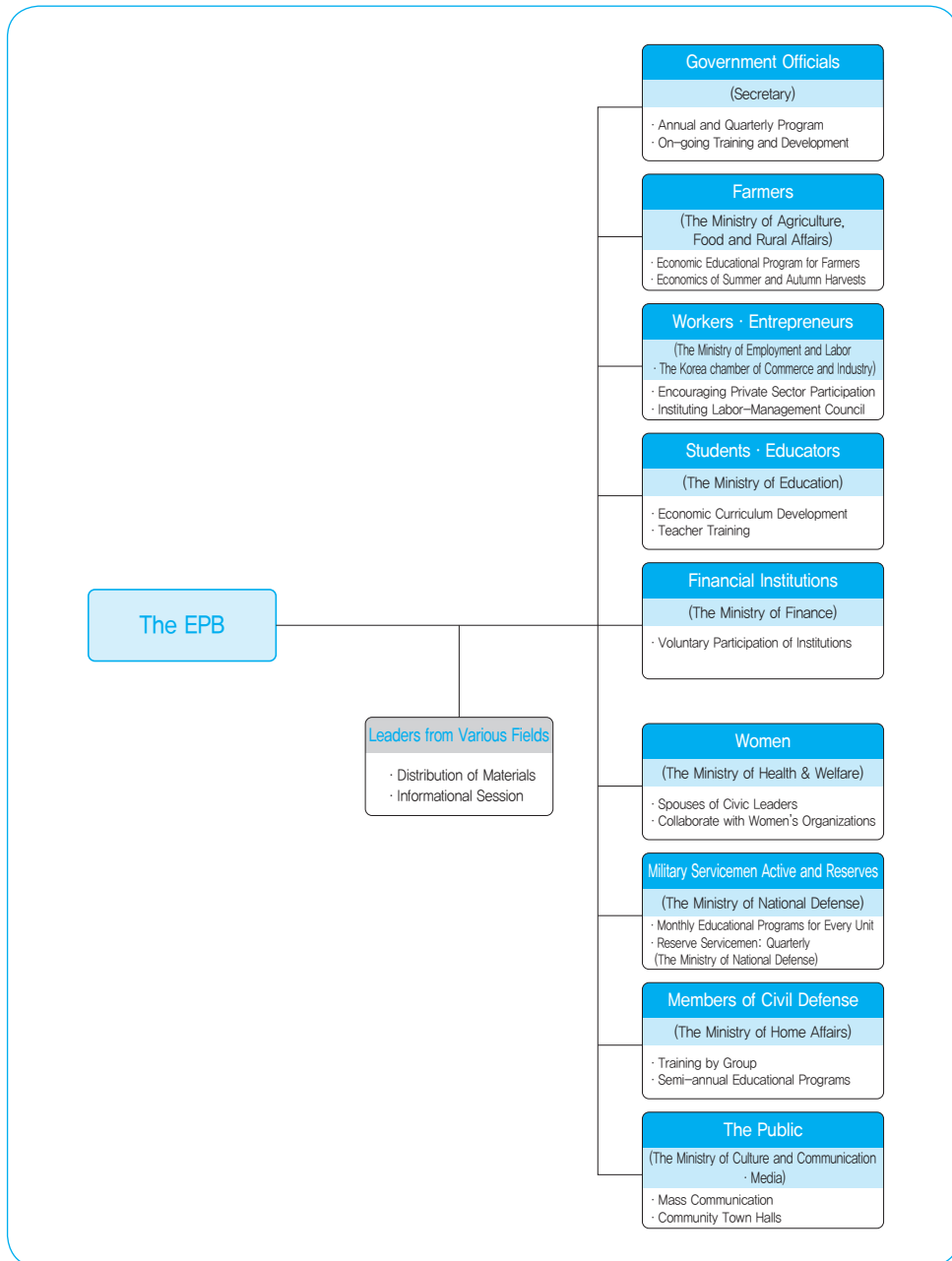
In 1982, the office was elevated to divisional level and was renamed as the "Economic Education Planning Office." It engaged in a variety of initiatives on delivering economic information and educational content to the public by holding forums and workshops, and publishing informational literature.

Furthermore, many organizations like the ministries began to promote economic literacy. For example, the Ministry of Defense promoted economic literacy for military servicemen and their families. The Ministry of Government Administration also launched economic educational programs for former government officials. Research institutions such as KDI actively collaborated with the EPB in developing and delivering educational content, as well as in holding seminars and forums on specific economic issues.

As shown in [Figure 3-2], the EPB was in charge of designing and implementing its yearly plan and quarterly agenda. It also conducted assessments of its implementing units within the organization and developing educational content and training instructors. Different implementing units were given autonomy and guiding principles under the Master Plan to conduct their educational programs.<sup>6</sup>

6. The KCCI, 1985, "Why Economic Education?"

Figure 3-2 | Structure of Economic Educational Program



Source: The Korea Chamber of Commerce and Industry (1985).

In 1989, the EPB reorganized the Economic Education Planning Office into the Economic Education Planning Bureau, and established the Education Public Relations Department and the Education Research Division. Making good on its commitment to improving economic literacy, the government also established a research institute named the National Institute of Economic system which focused on economic education. The institute was later integrated into the Korea Development Institute (KDI) in 1991, and renamed the Center for Economic Education.<sup>7</sup>

The government's willingness to establish dedicated organizations to promoting economic literacy was critical in making it a national movement. As Korea underwent democratization in the 1980s, the role of the private sector expanded while the role of the public sector decreased, which led to the downsizing of the Economic Education Planning Bureau. The bureau became a department in 1994.

In 2004, the Ministry of Strategy and Finance launched the "Private Economic Education Working Group" which consisted of 13 private organizations. It was later reorganized into the "Korea Association of Economic Education" and expanded to include 18 organizations. In May 2009, the Korea Association of Economic Education was as the main implementing agency by the Ministry of Finance under the Economic Education Support Act.

## 2.2. Economic Education in the Private Sector

Over time, the scope of activities within the economic educational program has expanded and diversified. On August 1984, the Private Economic Education Forum was created to facilitate the sharing and exchanging of economic information and views among different organizations. The forum was comprised of 18 organizations such as the Korea Chamber of Commerce and Industry (KCCI), the Federation of Korean Industries, the Korea International Trade Association, the Korea Federation of Small and Medium Business, and the Consumer Protection Council. The forum provided education and training for businesses and educators. The Private Economic Education Forum also developed economic education content. The KCCI served as the secretariat of the forum.<sup>8</sup>

In 1988, the Federation of Korean Industries established the "Economic and Social Development Institute" within its own organization, separate from the Private Economic Education Council as part of efforts to raise public knowledge and understanding of Korea's

7. Kim, Gyeong-Geun, 1996, "National Action Plan for Improving the Effectiveness of the Economic Education," the KDI Center for Economic Education.

8. Lee, Sang-Tae, 1992, "The Reality and Challenges of Korea's Economic Education for the Public," the KDI Center for Economic Education.

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economy and business community. In addition, a variety of socially minded organizations such as the Citizen's Coalition for Economic Justice and the Labor Unions were also engaged in some form of public education on economics.<sup>9</sup>

In the early 1990s, more organizations became involved in economic education with government, business, finance, research institutes, education, media, and civil society. The Korea Economic Education Forum brought together academics and educators. In 1991, the role of the National Institute of Economic System was merged, which resulted in some loss of momentum.

Meanwhile, the National Institute of Economic System played an important role in promoting and expanding initiatives in economic education in Korea that were once done by other similar organizations. However, the institute was later reorganized into KDI as its role became less clear. This also led to the demise of the Korea Economic Education Council (KEEC), which it helped to establish. As such, the government's efforts in economic education lost momentum.<sup>10</sup>

As a result, many of the new developments in economic education have been led by the private sector, financial institutions, and organizations focused on the Korean economy and consumer, which have created educational programs to promote entrepreneurship, consumer protection, and financial literacy.

<Table 3-2> summarizes major developments in economic education in the public and private sector.

9. Kim, Gyeong-Geun, 1996, "*National Action Plan for Improving the Effectiveness of the Economic Education*," the KDI Center for Economic Education.

10. *ibid.*

**Table 3-2 | Major Developments on Economic Education in the Public and Private Sector**

Institutions	Year	Contents
The Economic Planning Board (EPB) Office for Promoting Economic Policies	1981	<ul style="list-style-type: none"> <li>• Informing and educating the public on economic and policy issues, under the direction of the Secretary of the EPB</li> <li>• Contributed to promoting public information and education until November 1981</li> </ul>
The EPB Economic Education Planning Office	1982	<ul style="list-style-type: none"> <li>• Office for Promoting Economic Policies was officially reorganized into a division</li> <li>• Published educational literature on the economy and public issues, conducted training programs, and facilitate public forums</li> </ul>
Private Economic Education Forum	1984	<ul style="list-style-type: none"> <li>• Consists of 18 organizations, including the KCCI, the Federation of Korean Industries, the Korea International Trade Association, Korea Federation of Small and Medium Business and Consumer Protection Council</li> <li>• Main goal was to promote economic literacy and facilitate the sharing and exchange of information and views economic education</li> <li>• Forum acted as secretariat, and developed economic educational content</li> </ul>
Economic and Social Development Institute	1988	<ul style="list-style-type: none"> <li>• Promoted economic and business information and education under the Federation of Korean Industries</li> </ul>
The EPB Economic Education Planning Bureau	1989	<ul style="list-style-type: none"> <li>• “Economic Education Planning Office” expanded and reorganized into the “Economic Education Planning Bureau”</li> <li>• Reorganized in 1994</li> </ul>
National Institute of Economic System and Information	1989	<ul style="list-style-type: none"> <li>• First established as a foundation, and then as a government-funded institution</li> <li>• Reorganized as the Center for Economic Education and an affiliate of KDI</li> </ul>
KDI Center for Economic Education	1991	<ul style="list-style-type: none"> <li>• Providing information and educational content on the economy and public policies</li> </ul>
Youth Financial Literacy Commission	2003	<ul style="list-style-type: none"> <li>• Launched and led by financial institutions and Maeil Business Newspaper, authorized by the Financial Supervisory Commission</li> </ul>
Public Economic Education Working Group	2004	<ul style="list-style-type: none"> <li>• Launched by the Ministry of Strategy and Finance in collaboration with 13 private institutions</li> </ul>

Institutions	Year	Contents
Council of Economic Education	2006	<ul style="list-style-type: none"> <li>• "Private Economic Education Working Group" was reorganized into the "Korea Association of Economic Education," which involves 18 organizations</li> <li>• Council for Economic Education was established under KDI</li> <li>• Designated as the first Regional Economic Education Centers in four metropolitan cities including Busan, Daegu, Gwangju and Daejeon by the Ministry of Strategy and Finance</li> </ul>
Korea Association of Economic Education	2009	<ul style="list-style-type: none"> <li>• Established to promote public education on economics in Korea by the Ministry of Strategy and Finance under the Economic Education Support Act</li> <li>• Designated as the second Regional Economic Education Centers in administrative divisions such as Gangwon, Jeju, Chungbuk, Jeonbuk and Geongnam; and the third designated centers in Chungnam, Jeonnam by the Ministry of Strategy and Finance (Total: 11)</li> </ul>

Source: Park, YS et al., 2013, "Study on mid- to long-term development strategies for the economic education organizations," The Korea Policy Institute.

2015 Modularization of Korea's Development Experience  
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and Promoting Economic Literacy

## Chapter 4

### Economic Education in Korea between the 1980s~1990s

1. Objectives and Achievements in the 1980s
2. Objectives and Achievements in the 1990s

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# Economic Education in Korea between the 1980s~1990s

## 1. Objectives and Achievements in the 1980s

This report analyzes Korea's efforts to inform the public and improve economic literacy which has been recognized as contributing to address Korea's economic policy challenges during the 1960s and 1970s, and to promote stable and sustainable growth in the 1980s to draw key insights and lessons.

The analysis, in particular, will focus on the government's efforts to engage and communicate with the public on public policy matters. It is hoped Korea's experience can provide a roadmap for developing countries.

The research examines the period between the 1980s and the 1990s when the government instituted its national economic education program. Specifically, it will investigate the context in which the economic educational program was established. It will also discuss the goals and content of the program and the changes to the program since the 1990s.

The report also includes interviews with some of the key people involved in planning and implementing the economic educational program. It also includes findings of surveys and media keywords to examine the impact of the program on the public.

Finally, the report seeks to draw relevant insights and lessons for policy makers and developing countries on the importance of deepening the public's knowledge and understanding of economics and public policy issues.



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## 1.1. Objectives in the 1980s

Korea's rapid economic development of the 1960s and the 1970s led to serious economic and social side-effects. The rapid expansion of investments resulted in chronic inflation, as the money supply grew significantly. During this time, the rate of inflation grew 10 to 20%, which led to an economic spiral of higher prices and higher wages. To break this cycle, Korea had to change its development model of "growth-first" to stability to ensure sustainable economic growth. This required implementing a market-led approach rather than a government-led approach in promoting Korea's development. To this end, the government introduced its "Economic Stabilization Policy" in April 1979. Implementing this new policy required raising the public's understanding of the Korean economy and public policy issues as way to facilitate public debate and build consensus.

As part of the Economic Stabilization Policy, a great deal of focus was put on raising the public's level of awareness and understanding of the Korean economy and the government's Economic Stabilization Policy. Persistently high inflation and mounting fiscal deficits were the biggest challenges facing Korea's economy at the time. To stabilize prices, the government needed the backing of critical stakeholders such as farmers and workers. Otherwise, the economic stabilization policies would face pushback from the public.

To successfully implement the policies, it was important to inform the public about the policies themselves as well as the basic workings of the Korean economy. This meant informing the public about the impact of inflation and the government's stabilization policy on prices and wages for farmers and workers. It was also an opportunity to inform the public on the government's change in policy direction.

Mr. Gong-II Sa, the former Minister of Finance and Strategy, and currently a senior research fellow at the Korea Development Institute, played a critical role in implementing the economic education program in the 1980s. The former minister describes the economic education program and its objectives:

*"From 1980 when economic cuts just started and continued until 1984, the Korean government was implementing a policy, including freezing of the rice-procurement, budget and salaries of government officials. As the political resistances were intense, the situation was difficult in the need for public understanding and support. That is why the government attempted to communicate and inform the people about our economic situation through economic education."*

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Before implementing its policy, the government published some informative literature on economics, one of which was a booklet, titled “a New Strategy Towards the 1980s.” Besides supporting the government’s policy efforts, the economic educational content was considered to be the first initiative to economic literacy at the national level. The economic literature was developed in collaboration with economic experts and educators and delivered directly to the public.

In the late 1980s, the study of economics was expanded in the curriculum for elementary, middle, and high schools. The new economic curriculum focused on the application rather than the theory of economics. The economic curriculum incorporated audiovisual materials for teaching students about economics. The knowledge of economics offers important lessons in life and tools for making economic decisions, which ultimately can benefit the livelihood of individuals and the nation. Early adolescent years offer an opportune time in a student’s development to teach and apply these economic lessons.

## 1.2. Deepening Economic Knowledge and Understanding in the 1980s

The efforts to expand economic knowledge and understanding of ordinary Koreans during the 1980s offered an opportunity to raise the public awareness of the importance and necessity of economic literacy. These efforts were critical in supporting the government’s implementation of stabilization policies, which build the foundations for achieving sustainable growth.

The former Deputy Minister of the Korea Economic Planning Board at the time, Gang, Kyung-Sik, wrote about his experience in leading the economic education efforts in the book, “What a Country Should and Should Not Do.”

“In the early 1980s, I created a presentation titled “Transition of Economic Policy Strategy.” I asked the secretaries of each ministry to make a presentation to 11 municipalities hosted by the regional Chamber of Commerce, and explain the government’s economic policies and to get feedback. The book, “Nation’s Economy and Working Together to Identify Solutions,” was published to discuss the challenges facing Korea’s economy and guide to facilitate collaboration in identifying solutions. It also sought to diversify the public’s knowledge and understanding of economics.

The book explains the different interests and conflicts that arise among various stakeholders including companies, workers, farmers and citizens when new public policies are being implemented. It also offers ways to facilitate conflict resolution and build consensus amongst various stakeholders (Omitted).

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Facing strong pushback against its stabilization policy, the government sought to raise public awareness and to build consensus. The Economic Planning Board (EPB) and KDI organized three working groups to host forums at ten municipalities, which were attended by businesses, academics, and students. In the late 1980s, a total of 305 workers from 26,000 companies participated in forums on “Working Together to Overcome Economic Challenges,” over the course of two months.

The economic education program also targeted government officials, civil servants and servicemen. Mr. Lee, Gang-du, former member of Korea’s parliament (Former Director of Economic Education at the EPB at the time), recalled:

*“The economic education program was designed by organizations in the local and central government and was promoted nationwide. I remember we worked together with government officials on the program.*

*The Office of the Korean President took keen interest on the economic education program. So we reported all of our activities and events. Moreover, the government established dedicated units to implement the economic education program. Everyone had to participate in the program including farmers and workers in the public and private sector. Public workers from government investment agencies and related organizations participated in economic educational workshops several times a week. The outcomes of the workshop were reported. After years of the growth-first policy during the 1960s to the 1970s, the Korean public as well as businesses recognized the importance of changing policy direction.*

*During its implementation, the economic education program was one of the most emphasized government initiatives at the time. Moreover, the government recognized that the public’s greater understanding of economic and public policies was fundamental to achieving sustainable economic growth. This was based on the idea that greater individual economic knowledge and understanding helped to promote economic activities and therefore development. I believe the public understood this and actively supported it and participated. Moreover, public workers had an additional incentive to participate in the program since their participation was part of their performance assessment. So public workers had something to lose if they did not participate.”*

The government promoted economic literacy on television. Mr. Gong-II Sa, former Minister of Finance and a Senior Research Fellow at the KDI, described:

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*“We created a program named “Price: The Inside Story.” The show was designed to be fun and easy to understand. That is why we used simple words and expressions. To explain the principle that ‘more money in the market lends to inflation,’ we showed how money is created by the Korea Minting and Security Printing Corporation and the Bank of Korea. We also showed interviews of people in the bank, consumers at the department stores and policy makers. The show got good reviews.*

*The second TV program sought to deepen public understanding of issues by documenting the economic challenges and discussing how advanced countries overcame these challenges and the implications on Korea in a fun and easy ways. The President wanted to show the development experiences of the advanced countries including the United States, Germany, France, Japan, and the United Kingdom. At the time, the UK suffered from high unemployment while France experienced a low balance of payment. Germany was undergoing challenges in its social welfare, and the U.S. experienced the Twin Deficits (unemployment and current account deficit). Japan was relatively in good shape.*

*The program also included discussions with three Nobel Laureates in economics including Milton Friedman, Lawrence Klein, and Wassily Leontie . James Tobin was also invited, but he couldn’t. The TV program had on many high level officials and experts from Korea and overseas including ministers, central bank officials, and academics, such as Henry Wallace from the US Fed and Alex Rivlin. The program was broadcasted in three episodes, which showed scenes from showing people receiving the unemployment benefit in the UK, and famous landmarks such as the Golden Bridge, the White House, and the tourist attractions in Europe. The program was aired right after the 9 o’clock news, which also publicized to appeal to a wider audience.”*

In the late 1980s, economics was promoted among younger students and in schools. Prof. Lim, Chun-Sun, of Sejong University (former senior researcher at KDI) discussed the efforts to promote economics in schools and Korean education.

*“First of all, economic-related curriculum and textbooks for elementary, middle and high schools were completely redone, which was unprecedented. Specifically, economics became a subject of study within the social studies curriculum and it was expanded at all levels of schools.*

*The economic curriculum and educational material was developed by a group of educators, 20 experts, and academics with a background in education, economics and social studies. KDI was also part of these efforts.*

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*Until then, economics had not been a separate subject but rather taught within social studies, and the newly created subject was named “Politics and Economics.” As a result, the subject of economics was expanded. School principals were able to choose from a variety of economic subjects, which totaled six subjects, including “Economic Life.”*

In sum, the economic education program was initially government-led in the 1980s mainly targeting the adult population, before gradually expanding in the private sector and education system as part of the curriculum. Mr. Gong-II Sa, former minister of the Ministry of Finance, recalled “The economic education program helped to increase knowledge and understanding of economics nationally.” The program also helped to support the government’s economic policy efforts to stabilize prices by reducing the inflation rate to 10% from 10~25% per year. This contributed to promoting a trade surplus in the mid-1980s.

## 2. Objectives and Achievements in the 1990s

### 2.1. Objectives in the 1990s

The government’s economic literacy and education program of the 1990s underwent a period of transition, from being government-led to having greater autonomy and involvement of the private sector. The objective of the national economic literacy program was to promote a greater knowledge and understanding of economics so that Koreans are able to make sound decisions in their everyday life based on market and economic principles. The program’s emphasis on the market economy reflected the same transition Korea’s economy and society was making at the time, which was shifting away from a state-led to a more market-led political and economic system. The implications of Korea’s experience in raising the public’s awareness and understanding of economics and policy issues to smooth a transition to a market-based economy and democratic political system demonstrate the importance of building national consensus through public education. Moreover, there was a greater need for economic literacy as Koreans experienced growing incomes.

During the 1980s, Korea experienced a period of economic liberalization and political democratization. By the 1990s, more and more Koreans were ready to make use of their economic opportunities. The rapid globalization of the world economy made it necessary for both the public and businesses to have a global perspective. The government established the National Institute of Economic System and Information (NIESI) in order to systematically develop economic educational programs to teach the principles and workings of a market-based economy.

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Without the public’s support, it could have been much more difficult for the government to implement its policies in a politically democratized society during the 1990s. In this sense, the efforts to promote economic education can be seen as an initiative to increase the public’s economic literacy and awareness of public policies. Mr. Jang, Suk-Jun, former Director of the Economic Planning Board and current Vice-President of Hanseo University, recalled:

“No matter how good the economic policy is, the success highly depends on how the citizens understand it. What’s important is to deliver the correct contents in an appropriate way. Also, explaining the underlying economic principles behind the policy will be effective for the people to understand the background and the rationale, thereby, the government published numerous handbooks related to it. As civil organizations expressed their own interpretation of the policy, the government also provided their elaboration of the comprehensive policy. I can share the formula of “effectiveness of the economic policy” that I and my colleague came up with.

Impact of Economic Policy = Policy Design × Public Support and Consensus

For example, if the contents of a policy score 90 but the public acceptance and trust are 50, the effectiveness of the economic policy results in a score of 45. To raise the effectiveness of the policy, the two variables both the contents of the policy and the public acceptance and trust are significant because the lack of public consensus is likely to hamper the implementation of the policy itself in a democratic society.

That also emphasizes the importance of the economic education and the public relations in pushing for the policy. Not like the past authoritarian period, as the democracy has come forward in the 1990, it became no longer possible to forcefully implement a policy without communicating with the public.”

The cooperation between the public and private sector were also important; in that, the government organized forums on economic issues with the business community and academia.

## 2.2. Achievements in the 1990s

In the 1990s, the government’s Economic Planning Board, now part of the Ministry of Strategy and Finance, developed and implemented numerous economic education programs targeting public workers, teachers, news media and NGOs. It worked together with the

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National Economic System Research Institute (NESRI), which became part of the Korea Development Institute. Policy makers and academics collaborated by holding policy forums across the nation with local business leaders to discuss public policies and collect public opinion. These forums were important in facilitating dialogue between the public and the government on public policy matters. Indeed, the importance of measuring public sentiment and informing them on critical policy matters became more evident as Korea shifted to a more market-based economy that promoted greater participation of the private sector in the 1990s.

The Korean government and KDI's Economic Information and Education Center (EIEC) developed and distributed a range of tailor-made economic content for information and education purposes, targeting all audiences based on their level of understanding. Mr. Jang, Suk-Jun recalled:

“The task force created by the EPB to promote economic literacy was formally established in 1989 as an organization of the Economic Education Planning Bureau. Around this time, the monthly publication “Narakjungje” (Korean Economy)” was launched to provide information on the economy and current policy issues. It was my idea to launch a publication dedicated to public policy matters, and as far as I know, it is very rare to find a periodical that has been published for over 20 years within the public sector despite the challenges.

The goal of Narakjungje was to inform the public on public policy issues. The fact that high level policy makers from government are still involved today in writing the magazine is an advantage. When I worked under Sun Jo, the Deputy Prime Minister at the time, finding the budget to publish Nara Gyengje was the biggest problem. But we are able to publish it using emergency funds. The publisher was the President of the NESRI, and its editorial board was comprised of director-level policy makers from the ministry.

The government also established the “Economic Information Center,” which was located in Gawcheon Government Complex. The center reproduced the government's press releases and informational materials on public policies. The center was very popular with businesses and scholars, because they could access documents related to the government's policies. It also had a call center called “Our Economy,” which offered information on economic and policy issues. This was also a very popular way of getting information on public policies from the government directly. It became so popular that the telephone lines could not handle all the calls.

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The establishment of the Economic Information Center was a new approach to providing information through various formats. It contributed greatly to supporting the government's policy initiatives and to promoting a culture transparency and openness in regards to the government. It was often difficult to get information from the government because so little was made publicly available. But the efforts by the government to inform the public and make more information on public policies available contributed to creating a more transparent and open government, which is still not the case in many countries."

In conclusion, Korea achieved a great deal of progress in improving economic literacy, beyond the government's goal of informing the public on policy issues. The private sector also played an important role in promoting economic literacy and information during this time, even if its objectives did not always align with the public's interest.



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## Chapter 5

### Future of Economic Education in Korea

1. Changing Role and Direction
2. Development and Delivery of Economic Education
3. Program's Target Audiences
4. Economic Education in the Post-1990s

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# Future of Economic Education in Korea

## 1. Changing Role and Direction

### 1.1. Informing the Public and Promoting Economic Literacy

In the early 1980s, the government sought to engage and communicate with the public about the economy and government policies. To this end, the government developed and implemented a series of initiatives to improve their knowledge and understanding of the economy and public policy issues. Its goal was to inform the public on social and economic challenges and to build consensus and support for public policies and reforms.

The government needed the public's support to implement its economic stabilization policy. Because it was politically unpopular, it was important for government to engage the public and inform them of why these policies were needed. The governments first had to build a case for why the stabilization policy was needed to address high inflation. It also needed to explain to the public the kinds of policy tools available and its potential social and economic impact.

The government began its campaign by informing the public about the policy's legislative process. By better informing the public of the policy issues and gaining their support, it contributed to better policy outcomes. The campaign used various channels to inform the public including educational seminars, lectures, public forums, the news media, informational literature and videos, and so on.

Public surveys were also conducted to gauge public sentiment and to gather their views on economic and policy issues. The results of the survey were also used to assess the effectiveness of public policies.

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## 1.2. Economic Education for the Public

The goal of the program was to engage the public and build public support and consensus for public policies. As such, the informational and educational content had to be designed so that it could be understood for each specific target audience. Early in the program, informational or educational content were largely designed for government officials and policy makers. So the content tended to be technical and difficult to understand for the general public. As such, it was important to develop informative and educational content that could be delivered to and understood by the general public.

To this end, a great deal of effort was made to develop a program that delivered impactful and customized content for various audiences. This supported by the Korean President based on documents and records from Korea's national archives.

According to transcripts from Cheong Wa Dae, President Chun specifically discussed the need to develop content according to the audience and use the media as a way to engage the public and raise their awareness of public policy issues.<sup>11</sup> The transcripts also describes how President Chun personally asked a member of the Presidential security detail<sup>12</sup> who was at the meeting with the Assistant Secretary for the Economy, Dong-seon Ha, if he understood the content underscoring the importance of being able to effectively communicate with public. The President believed that the content should not be lecture-driven but it should instead incorporate visuals and discussions along with lectures. The President also believed that information on the global economy during the 60s, 70s, and 80s should be included in form of easy to understand visuals. The President thought that the visuals had too much information like a news broadcast and did not emphasize the key point enough. He also thought more visuals should be used and designed from the perspective of the learner. Indeed, a great deal of effort was spent on developing content to suit audiences of all ages and backgrounds.

Other content developed for government officials by the administrative affairs division in late 1982 also contain visuals and apply educational methods to explain economic trends. According to these documents, the economic educational program for government officials focused on improving their knowledge but also understanding. The content developers were asked to incorporate audiovisuals and to facilitate discussions in the program to deliver

11. Transcripts are notes of the presidential economic advisors regarding a program for the workplace, which was developed by the administrative affairs division of the Minister of the Office for Government Policy Coordination in 1982.

12. 101 Presidential Security Services: National Guard at Cheong WaDae.

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a meaningful learning experience. This helped to promote these kinds of education and learning methods.

The government clearly recognized that economic policymaking was no longer in the hands of a few experts; and that, the general public would have to have a better understanding of the economy and public policy issues. The fact that the government recognized this suggests it put a great deal of importance on informing the public as part of efforts to build national consensus and support for economic policies.

### 1.3. Gradual Expansion of Economic Education

In the early 1980s, the goal of the program was to build national consensus and support for public policies by informing and educating the public on the economy and policy issues. Beyond this goal, the program sought to instill the basic values and understanding of a market-based economic system. It was more than about teaching economic concepts and policies but about practicing economics.

This is why the first educational program focused on high level government officials and policy makers in the early stages. To build consensus on public policies, the economic educational program was implemented starting at the top. The President outlined the themes and methods directly. High level government officials were the first to participate, followed by rank and file. In time, all government officials participated in the program. It was recognized that government workers should have a better knowledge of the economy than the general public, which would allow them to inform the public and gain their support. Early on, the program focused on government officials and public leaders. As the program expanded and become more institutionalized, the scope of audiences expanded to include the general public.

As the program's target audience changed, so did its content over time. These changes to the makeup of the content including using new teaching methods and format, increasing the level of complexity, and focusing on current public policy issues. In the early stages of the public educational program, it was important to ensure that people were being informed about the government's economic stabilization policy to ensure its successful implementation. So the program was quite specific and narrow, focusing on a set of issues such as price stability and inflation, government accountability, and fiscal soundness and efficiency. Other themes included strengthening Korea's balance of payments and competitiveness, improving productivity through technological innovation, expanding exports, manufacturing better goods, and increasing household savings rate.

After the stabilization policy was implemented and inflation became stable and the economic benefits began to emerge, the educational program shifted gears by focusing on economics and current public issues and national policy agenda. Other topics included domestic and global economic trends. The program also dealt with global issues such as the environment, population growth, and technological advancements, issues that impacted the public. This was important as Korea sought to join the ranks of advanced economies and sought to address social economic challenges. The program sought to engage the public on critical public policy issues and to enhance their knowledge and understanding of the market economy.

The private sector also contributed to the development of the program's educational content. Its role was not as large as the government. Private content developers, economic educational organizations, and research institutes, contributed by conducting economic research and developing educational programs, as interest and demand on this subject began to increase.

Overall, the economic educational program became more de-centralized over time, as its audience and content changed. Early on, the goal of the program was to build public consensus and support for the government's policies. This changed later to promoting a better understanding of economics and the market economy. In this context, it can be said that the process of gradual policy changes and the changes in the public's understanding and participation bear great significance.

## 2. Development and Delivery of Economic Education

This section discusses the program's educational methods. A full scale educational campaign was launched in the fall of 1981 when the price of rice at which the government would buy it was determined during the 5th Republic. Informational and educational literature explaining the government's rice subsidy program was distributed nationwide, along with literature on the government's economic policies. The goal was to inform the public about the government's policies. The educational campaign reached out to people of all ages and backgrounds including government officials, academia, military servicemen, teachers, and students.

The public education campaign largely consisted of distributing informational literature explaining the government's new economic policy. The leaflets also provided background information on existing policies. It was a massive awareness campaign to inform the public of their policies by distributing leaflets, pamphlets, brochures, cartoons, posters, etc. The

campaign also used videos and TV broadcasts. Informational leaflets were the most common format used by many of economy-related ministries. The leaflets were about four to twelve pages, and easy to read.

## 2.1. By Time Period

During its early days, the economic educational program targeted specific audiences such as government officials, policy makers, and experts, and not the general public. The content was largely delivered as presentations using slides.

The economic educational program was launched by the EPB on 17<sup>th</sup> April, 1979, ahead of the implementation of the economic stabilization policy. The EPB developed a slide presentation called the “New Strategy for the 1980s” in January of the same year for its educational campaign. It was originally developed for the Korean President’s New Year inspection tour. It was also broadly distributed to government ministries, economic organizations, the new media, labor unions, and local credit cooperatives (currently Nonghyup Bank). The presentation was also made available to training programs for government workers, the Saemaul Movement, financial institutions, and private training centers. From then on, the slide presentations became a popular format for delivering informational educational content on the economy and public policies. The presentations were constantly revised to promote better and easier understanding among the general public.

**Table 5-1 | List of Slide Presentations (1979~1982)**

Title	Launch Date	Key Content
New Strategy for the 1980s	January 1979	<ul style="list-style-type: none"> <li>Informational slide presentation prepared by the EPB for the Korean President’s New Year inspection tour</li> <li>First educational program promoted by EPB</li> <li>Distributed to government officials, economic organizations, news media, and various educational and training centers and institutes</li> </ul>
Economic Development and Sustainable Growth	1979	<ul style="list-style-type: none"> <li>Slide presentation to promote sustainable growth amid second oil shock.</li> </ul>

Title	Launch Date	Key Content
A Shift in Economic Management Method	1980	<ul style="list-style-type: none"> <li>• Made for the purpose of the President's New Year inspection tour. PR teams were organized with vice ministers of each ministry as their head and sent to 11 cities across the nation in February 1980</li> <li>• Organized forums to introduce the government's economic policies to local chambers of commerce and industry</li> </ul>
Let's Talk Frankly	January 1980	<ul style="list-style-type: none"> <li>• Q&amp;A on sudden rise in oil prices of 59%</li> </ul>
National Economy: Let's Think Together	June 1980	<ul style="list-style-type: none"> <li>• Developed to address challenges facing the Korean economy and encouraging public discussion and feedback on policy response</li> <li>• In late July 1980, EPB launched a ten city tour to hold a series of forums hosted by local chambers of commerce and industry and universities. Forum invited local businesses, experts, and students and was led by EPB officials and KDI fellows (Gyeongsang-do: Kang Kyong-shik, Deputy Prime Minister; Chungcheongnam-do and Jeolla-do: Lee Hyung Koo, Policy Division Director; and Gangwon-do and Gyeonggi-do: Kim Mahn Je, KDI President)</li> </ul>
Working Together to Overcome Economic Crisis	September 1980	<ul style="list-style-type: none"> <li>• Used in the regional security briefings held by the Central Intelligence Agency (currently National Intelligence Service)</li> <li>• Economic educational programs were expanded to reach 3.05 million workers from 26,000 companies over two months from early December 1980 with the support of the Prime Minister. Its goal was to inform the public the about the economy and crisis</li> <li>• The Ministry of Commerce and Industry conducted educational programs for 2.20 million workers for two months from December 1980</li> <li>• Educational programs went beyond policy forums and included outreach initiatives to workers and families</li> </ul>

Source: Figure created by author.

Starting in early 1982, media providers engaged in delivering economic educational content for the general public.

The program’s content was initially oriented towards government policies. This changed as the content was broadened and diversified, and multi-media was used to deliver the content. News programs were broadcasted to deliver information on the economy. TV programs were also developed as a way to address economic themes and issues. The range of programs and public announcements broadcasted on TV expanded, including a special documentary series on the economy. Moreover, new teaching methods and learning content were used during forums, and educators with economic expertise were fostered. The program used a variety of formats including booklets, videos, cartoons, pamphlets, and VTRs, etc.

**Table 5-2 | Educational Content by Learner Type (1982~1983)**

Learner Type	2 <sup>nd</sup> Half of 1982 ~ 1 <sup>st</sup> Half of 1983	2 <sup>nd</sup> Half of 1983
Experts	State of the Korean Economy and Policy Direction	-
Instructor	Economic textbooks	Today’s Korean economy and future challenges
Companies and Workers	What is productivity?	Work ethic, entrepreneurship, and SMEs
Farmers	Agriculture and government programs	Rural and agricultural development
Businesses	Commercialization and Supply Chain	Business development
Undergraduate Students	-	Economic growth and distribution
Women	Benefits of household savings and buying domestic goods	Financial Literacy
General	Economics in life	Korea’s economy today and tomorrow

Source: Korea Chamber of Commerce & Industry, ‘Why Economic Education?’, Korea Chamber of Commerce & Industry, 1985, p. 72 (in Korean).

Most of the program’s content was developed by the EPB, as shown in <Table 5-3>.



**Table 5-3 | Key Media Content Used by the EPB**

Format	Content and Key Features
Slide Presentations	<ul style="list-style-type: none"> <li>• Slide presentations with a clear message</li> <li>• Cartoons were used to facilitate better understanding               <ul style="list-style-type: none"> <li>- Contribution of well-known artists (Shin Dong-woo, Go Woo-young, Yoon Seung-won)</li> </ul> </li> <li>• Well known news moderators and voice actors were initially used to narrate the slide presentations. They were replaced by the voices of workers at the EPB for their knowledge of the economy and policies</li> </ul>
Cartoon	<ul style="list-style-type: none"> <li>• Cartoon about a rice cooker               <ul style="list-style-type: none"> <li>- First cartoon created by the EPB's Office of Economic Education Planning</li> <li>- Cartoon's message was Korea's lack of technologies. Korea needed to liberalize trade to promote innovation and competition to manufacture better rice cookers</li> </ul> </li> </ul>
Video	<ul style="list-style-type: none"> <li>• Gong-il Sa, former Vice President of KDI moderated a TV program, which discussed global economic challenges and experiences of other countries</li> </ul>
TV Programs	<ul style="list-style-type: none"> <li>• Korea's two major broadcasting networks, KBS and MBC, produced and aired several educational programs on economics               <ul style="list-style-type: none"> <li>- Programs played a key part in the efforts to inform the public</li> <li>- KBS aired "Today's Economy" and MBC aired "5-minute Economy," after the nightly news</li> <li>- EPB's Office of Economic Education Planning collaborated with KBS and MBC in developing and writing the TV programs</li> </ul> </li> <li>• The TV programs went off the air and were re-aired in April 1992.               <ul style="list-style-type: none"> <li>- MBC, KBS and SBS produced and aired five-minute shorts, titled "Walking and the Economy," "Let's Learn about the Economy," and "It's Memo Time for Economic Issues," respectively</li> <li>- Programs delivered content on economic issues and policies that was easy to understand for the public viewer</li> <li>- Sookyung Huh moderated for KBS, and Seonkyung Song moderated for SBS, both of whom went to have long careers in broadcasting</li> </ul> </li> <li>• KBS's 'Let's Learn about Economy' was moderated by Ke-Ik Lee, an economic news reporter.               <ul style="list-style-type: none"> <li>- Jae Ik Kim, Presidential Economic Adviser, had recommended Ke-Ik Lee to be the Senior Secretary for Economic Affairs. However, the program was a bigger priority and he was asked to be a commentator at KBS</li> </ul> </li> </ul>
Public Announcements and Advertisements	<ul style="list-style-type: none"> <li>• The public announcements and ads by the government were considered to be something of a breakthrough at that time               <ul style="list-style-type: none"> <li>- In 1989, the government's ads in the paper during the Chuseok holidays promoted thrift with the saying, 'Wish you Happy Chuseok.'</li> </ul> </li> <li>• This public ad was later recognized the Korea Advertising Awards with the Excellence Award in the field of public advertising</li> </ul>

Source: Figure created by author.

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Since the mid-1980s, the program's educational content was driven by economics and policy. As such, the program's audiences were high level government officials and policy makers from local and central government. The program's policy forums were held attended by journalists and religious leaders. Collaborative learning was emphasized. An educational program was conducted for military servicemen in the reserve army, so they could also become informed about the government's economic stabilization policy.

The program's target audience was broadened after 1985, to include schools and ordinary Koreans across the country. Forums were organized to bring together policy experts and government officials and university students to discuss economic issues. Special lectures on the economy were delivered by government officials and policy makers to students from 45 universities across the nation. A range of programs and content were developed to build public consensus and support on addressing critical social and economic issues such as inequality, liberalization, and democratization.

In the late 1980s, the program put greater focus on researching ways to better inform and educate the public on economics and public policies. The National Institute for Economic System and Information was established as a publicly funded institute. It later became the Center for Economic Education when it was reorganized into KDI. Also, the government, the private sector, and universities, jointly established a foundation in late 1988. Funded by the public and private sector, this foundation's goal was to inform the public about the business, entrepreneurship, economics, and the market economy by specifically targeting companies, workers, consumers, households, and students. The program trained its own educators and developed educational content, and helped to raise the level of information and education on economics made available to the public.

Between the late 1980s and the 1990s, efforts to inform the public on economic and policy matters were increasingly being driven more by the private sector, rather than the government. In 1991, the Korea Council of Economic Education was founded in cooperation between the private sector and education leaders and experts. For instance, the National Economic and Social Development Board under the Federation of the Korean Industries (FKI) initiated a program to inform the public about the trends and issues impacting the Korean economy. Other organizations such as the Citizen's Coalition for Economic Justice and labor unions became more interested and expanded activities in raising the public's knowledge and understanding of key social and economic issues.

Furthermore, the government initiated efforts to expand the subject of economics in middle and high schools. It also made more information and data on the economy and statistical resources available to the public.

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Economic education courses conducted and planned in accordance with government policy had gradually shifted towards the private sector, which was also a trend intended by the government. The government's program that began in the early 1980s was not only helping the public to be better informed of its own economic policies but also raising their understanding of the market-based economy.

In sum, the government's educational program was first intended for high level government officials and policy makers. It then shifted its audience to the general public, including teachers, the business community, households, and students, etc. Initially, the program was designed to specifically support the implementation of the government's economic stabilization policy, before the scope of themes and activities were broadened. Its goal became informing the public about the economy and public policy issues. The program used public forums and TV programs to deliver its educational content to the public. The government's efforts to inform and educate the public were initiated with a long-term view, which provided enough time for its investment to bear fruit. This also led to the institutionalization of the government's program, demonstrated by the establishment of several organizations dedicated to the research, development, and delivery of economic educational content for the public.

## 2.2. Impact on the Public

A public survey of the program's content showed that audiences were receptive to public announcements and ads broadcasted on TV, followed by print ads in newspapers, which tend to have the broadest reach in society and are the most accessible form of media.

In particular, men were found to be more receptive to mass media compared to women and older people. People in their 40s were also found to be more receptive to print ads in newspapers.

**Table 5-4 | Results of Public Questionnaire**

(Multiple choices, 200% in total)

Promotion Method	%
Public Announcements and Ads Aired on TV	86.2
Newspaper Ads	50.5
Posters	29.9
Audiovisual Content	9.3
Pamphlets	8.4
Leaflets (2~6 pages)	6.4
Cartoons	5.9
Booklets	1.1
Other	1.3

Source: Joung-Ho Han, 「Public Survey on Government's Economic Policy Promotion」, National Institute for Economic System and Information, 1993, p. 29.

The results of the survey also show that people were most receptive to pamphlets, followed by leaflets (17.1%), booklets (11.8%), cartoons (10.9%) and letters (3.0%). The survey also does not indicate a strong preference for a certain kind of medium based on the respondent's social background. It did show that people in their 20s and 30s tended to prefer cartoons and similar content, while university students were more receptive to leaflets.

**Table 5-5 | Exposure of Promotional Materials on Economy**

(Unit: %)

	Cartoon	Leaflet	Letter	Pamphlet	Booklets	Others
Total	10.9	17.1	3.0	48.5	11.8	8.6
- Age Cohort						
20s	14.9	19.2	2.1	42.0	12.5	9.3
30s	13.3	15.2	3.7	45.9	13.0	8.9
40s	8.0	19.4	3.0	49.8	11.9	8.0
50s	5.4	13.8	3.4	59.6	9.9	7.9
- Educational Level						
High School Graduate	10.3	11.8	4.8	50.0	15.3	7.0
Undergraduate	17.9	27.4	2.1	32.6	7.4	8.3
College Graduate	9.9	22.0	1.4	49.9	8.5	8.5
Higher than College Graduate	11.8	9.8		56.9	13.7	7.8

Source: Joung-Ho Han, 「Public Survey on Government's Economic Policy Promotion」, National Institute for Economic System and Information, 1993, p. 30.

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The program's content made greater use of graphic images to draw the viewer and to explain complex economic topics in a more reader friendly way. The visual content was made using state-of-the-art methods. The survey found cartoons to be an effective medium.

Despite the lack of an empirical study of the program's impact, there is enough evidence to suggest that the program's content and methods of delivering the content were quite effective in informing the public and raising their awareness on economic and public policy issues.

### 3. Program's Target Audiences

So far, the paper discussed the institution and the evolution of the government's educational program to inform the public on economic and public policy issues during the 1980s~1990s. This section discusses specific cases of the educational program to examine the methods used to develop and deliver the program's educational content.

The program's target audience can be broadly categorized as government workers and the general public. In the following, the paper discusses the program based on its audience. The program's educational content underwent several revisions to better match each audience's level of knowledge and understanding on the economy and policy matters. This in turn broadened the program's responsibilities and scope of activities.

#### 3.1. Government Officials and Policy Makers

##### 3.1.1. 1981~1982

A series of policy-oriented seminars was initiated for high level government officials and policy makers. In 1981, the Ministry of Strategy and Finance was tasked to organize a series of two day seminar for three hours everyday program targeting government officials who worked for a related agency or organization including the Board of National Unification. The first seminar was held on 27<sup>th</sup> November at an auditorium at the Foreign Exchange Bank. The participants of the policy seminar were largely director and deputy director or higher level officials. Executives and managing directors from the related agencies also participated in separate policy seminars. The educational program was led by Dong-seon Ha, second assistant secretary.

The seminars covered a variety of topics including current economic trends and the government's economic policy framework and direction during the 1980s. The seminars were conducted for six hours and comprised of a one hour presentation by second assistant

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secretary Ha, a one hour slide presentation, and a four hour lecture by senior research fellows from KDI and Korea International Economics Institute (KIEI) and academics. Efforts were made to upgrade the quality of education by utilizing economic policy experts.

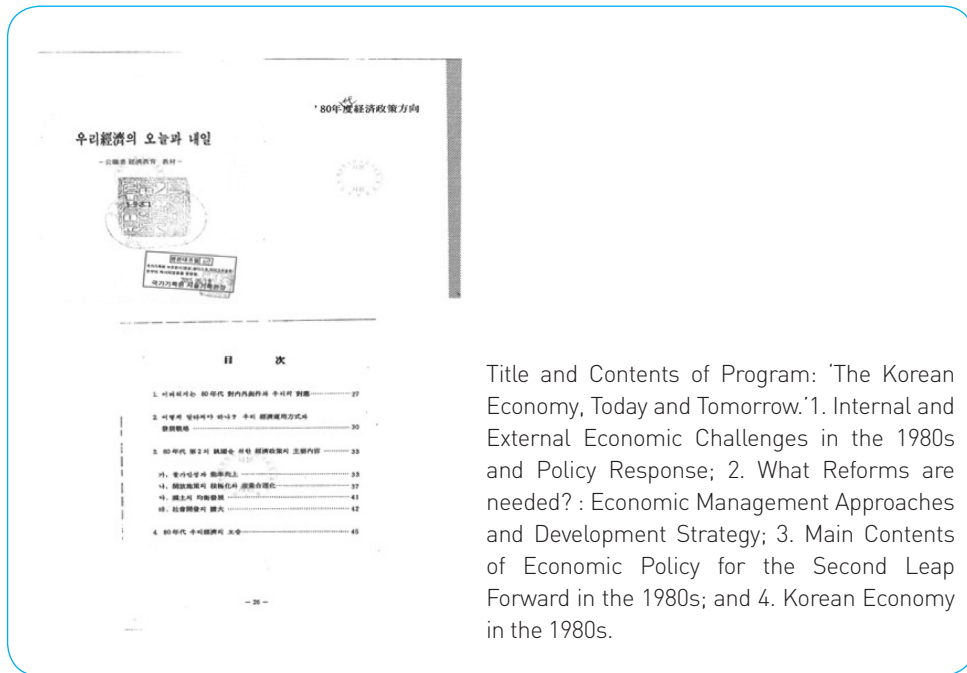
From 25<sup>th</sup> November 1981 to January 1982, a special education program on economics was initiated for approximately 800,000 government officials from all ministries and their agencies. The program was designed as a three day six-hour long course.

With support from Korean President Chun Doo Hwan, then Ministry of Government Administration played a leading role in developing the special course, whose aim was to support the implementation of policies to address an impending economic crisis and put the Korean economy on a sustainable development path in the 1980s.

The first phase (starting on 25<sup>th</sup> November 1981) of the program targeted the deputy directors or higher at the Ministry of Strategy and Finance, as well as, the senior management of its related agencies. The program was conducted as a 1 day workshop. In the second phase (starting in 14<sup>th</sup> December 1981), the program targeted government officials of local governments who were grade 5 or higher, including the senior managers of related agencies. In the third phase (starting in the mid-January 1982), the program targeted government officials who were in grade six or lower, including those in the related agencies.

The workshop which was six-hours long focused on deepening the participants knowledge and understanding of the government's economic development strategy and policies, largely based on the 5<sup>th</sup> Five-year Economic Development Plan which was implemented in the 1980s. The program also covered global economic trends and issues. This educational program on policymaking designed for government officials was the first of its kind since the founding of the Korean government. The workshop invited policy makers from economic-related ministries and a total of 30 experts who were involved in formulating the 5<sup>th</sup> Five-year Economic Development Plan.

Figure 5-1 | Educational Materials for Government Officials (1981)



Title and Contents of Program: 'The Korean Economy, Today and Tomorrow.' 1. Internal and External Economic Challenges in the 1980s and Policy Response; 2. What Reforms are needed? : Economic Management Approaches and Development Strategy; 3. Main Contents of Economic Policy for the Second Leap Forward in the 1980s; and 4. Korean Economy in the 1980s.

Source: Ministry of Government Administration.

In May 1982, about 23,700 high-ranking officials (above grade five) from all the ministries and state enterprises participated in a group workshop in policymaking.

In 4<sup>th</sup> May, a total of 11,007 high level government officials (above grade five) working in Seoul participated in a three day workshop on policymaking at the Sejong Center. The workshop focused on building a strong work ethic and reform-minded culture.

The program first focused on high level government officials so that they as leaders could promote what they learned and build a reform-minded culture with their own teams.

### 3.1.2. 1983~1984

The training program for government workers was conducted periodically in a phased manner. From December, 22, 1982 to February 1983, a three course training program on the economy was offered to a total of 860,000 government workers, including senior managers of related agencies. This was the second program of the series which started in 1981. It was conducted as three course program. The first course focused on the deputy directors (above grade five) and senior managers (above department head) of related agencies located in

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Seoul. The second course targeted government workers in local governments while the third course targeted the general pool of government workers.

The goal of the program was to deepen the government workers knowledge and understanding of the Korean economy in the 1980s and to encourage them to take a leadership role in getting the general public involved in supporting the government's economic policies.

In the beginning of 1983, the government introduced a yearlong training program that would train a total of 860,000 government workers including 210,000 senior managers at 176 agency offices. The program sought to build the capacity of government workers in economic policies but also to promote leaders who could take charge in implementing the government's policy efforts and engage with the general public to get their support. High level government officials and policy makers, which included officials from the ministry grade five or higher and department heads or higher from related agencies, participated in group-based education, while staff level government workers participated in programs conducted at the workplace.

The Ministry of Government Administration took a leading role again in conducting the training program. Participants were offered four to five additional courses, which incorporated audiovisuals and slide presentations into the curriculum, besides lectures by scholars and experts. The contents largely dealt with economic trends and conditions in Korea and globally, as well as, economic policy challenges of the 1980s. The program also covered more specific economic themes that were critical to Korea's advancement such as resources, air pollution, environment, demographics, and technology development.

The agency offices had to conduct more one training course every month. Moreover, the training participants had to take a written exam after every course and the results of the examine part of the worker's performance evaluation. A training program supervisor from the Ministry of Government Administration would also be involved to facilitate better learning.

The Ministry of Government Administration and the EPB would support government-affiliated organizations in conducting the training programs by providing the educational content and access to expert speakers. The agencies would also conduct their own training programs and report the outcomes of the program to the Ministry of Government Administration. In addition to these formal training programs, the ministry frequently organized ad-hoc training sessions during economic emergencies. The ministry also improved the curriculum for the training programs and made it mandatory to include economic courses in work ethics and job training.



Figure 5-2 | Training Program for Government Officials and Policy Makers in 1983



Source: Ministry of Information, Communications Bureau, photo officer, “1983 Summer Economic Education for Government Officials,” National Archives, 1983.

The economic and policy training programs in 1983 were mostly a collaborative effort between multiple economic ministries. The number of participating ministries expanded significantly to include twelve ministries (EPB, Ministry of Finance, Ministry of Commerce

and Industry, Ministry of Agriculture and Fisheries, Ministry of Health and Social Welfare, Ministry of Energy and Resources, Ministry of Labor, Ministry of Construction, Ministry of Transportation, Ministry of Posts and Telecommunication, Ministry of Science and Technology, and Seoul Municipal Government), four economy-related organization, fifty one large-sized companies and SMEs, state bank, five commercial, and five research institutes (KDI, Korea Institute for Industrial Economics and Technology, Korea Rural Economic Institute, KAIST, and Korea Research Institute For Human Settlement). A total of 520 officials attended the two day training program on foreign loans and savings, foreign investment, and capital region programs.

Furthermore, a greater amount of educational content on key policy issues was provided to civic leaders. Economic educational materials and resources in policymaking were regularly delivered to over 5,000 subscribers from the central and local administrative offices, educational centers, parliament, the judiciary, journalists, economy-related organizations, academia, research institutes, the Ministry of Defense, military bases, etc. Most of these materials were published and distributed in 1983. Its distribution became more systemic in 1984. To be specific, there were two kinds of educational content that was developed and delivered. One included content on economic issues such as government, consumers and businesses. The second included content on public policy which dealt with national and international issues. Its target audience was government officials. The government also developed content on a variety of topics used to train the civil servants.

**Table 5-6 | Educational Materials for Government Officials from 1983**

Contents	Title (translated)	Author
Economic Education Materials		
Policy Related	Basic Features of 1983 Budget	EPB
	Steps towards an Advanced Nation Developments in the Distribution Industry and Modernization	EPB
	Ways to Develop the Farming Economy	EPB
	Moving Towards Advanced Nation	EPB
	Heightening the Productivity	EPB
	Opening the Era of Stable Inflation	EPB
	How the Rice Purchase Is Determined	Ministry of Agriculture and Fisheries

Contents	Title (translated)	Author
	Korea's TQC Going Forward	Korean Industrial Standard Association
	Stronger International Competitiveness: Survival Strategy	Korea International Trade Association
	Establishing Business Ethics and Modernizing Distribution Industry	Korea Chamber of Commerce and Industry
Customer Related	Consumption Rationalization and Patronage of Domestic Products	EPB
	Mindset of Young Koreans to Lead the Future of the Korean Economy	EPB
	Saving and Rational Consumption	EPB
	Cartoon "Eodoree and Eosigee"	EPB
	How to Manage Household Finances Rationally	EPB
	Convenient Bank Services	Korea Financial Syndicate (translated)
	Korean Economy: Reality and Road Ahead	Savings Promotion Central Committee
	Save Well, Live Well	Savings Promotion Central Committee
Enterprises	Work Ethics and Entrepreneurship in a Welfare Society	EPB
	SME Roles and Future Course	EPB
	SMEs' Roles and Future Course	EPB
General Economy	World Economy: Per Capita GDP, GNP, and Population	EPB
	Today and Tomorrow of the Korean Economy	EPB
	Economic Growth and Allocation	EPB
	Productivity and Labor-Management Relations	Korea Productivity Center
	Productivity and Daily Life	Korea Productivity Center
Others	Standard textbook	EPB
	Collection of economic education slides	EPB
	Economic education teaching materials	EPB
	Economic Improvements and Future Agendas (syllabus)	EPB

Contents	Title (translated)	Author
	Economic Improvements and Future Agendas	EPB
	The Lost outside Can Be Found inside	Korea Productivity Center
	The Value of Prosperity	FKI
Economic Policy Materials		
2-1. Domestic Economic Trends and Policies	1983 Economic Management Plan	EPB
	Economic Policies and Administrative Agendas to Create an Advanced Korea	EPB
	Recent Economic Trends and Policy Responses	EPB
	Recent Inflation Trends and Outlook	EPB
	Creating an Advanced Korea and Economic Policy Direction	EPB
	Priority Agendas to Build an Advanced Korea	EPB
	New Economic Orders and Economic Management	EPB
	Korea's Budget System and Fiscal Policy Direction	EPB
	Guidelines for the Revision of the 5 <sup>th</sup> Five-year Plan for Economic and Social Development	EPB
	Basics on the 1983 Budget	EPB
	Deputy Prime Minister's Economy Commentary for TV	EPB
	1984 Budget Draft (Deputy Prime Minister starring in a TV talk show)	EPB
	Current Korean Economy and Challenges	EPB
	National Budget Freeze and Policy Backgrounds	EPB
2-2. Overseas Economic Trends and Policies	World Economy: Stimulus Plans	EPB
	Global Strategy for Economic Recovery	EPB
	Growth and Restructuring in East Asia	EPB
	Conditions and Preparing a Second Leap forward	EPB
	Recent Overseas Economic Trends	EPB
	Household Savings in Japan and West Germany	EPB
	Recent Overseas Economic Trends and Outlook	EPB
	International Oil Price Plunge and Korea's Responses	Ministry of Energy and Resources

Source: Korea Chamber of Commerce & Industry, *Why Economic Education?* 1985, pp. 74-76.

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## 3.2. Military Servicemen

The economic education and training program of the early 1980s was intended for people of various social standings, including the public and private sector, and even the military. In Korea, all able-bodied males are required to perform military service for a certain period of time, about 30 months of service. The economic educational program was also mandated for military servicemen, since would rejoin society after completing their mandatory year in the service. The program for military servicemen was based on mostly lectures delivered by economic experts visiting the bases. A non-commissioned officer, who was in charge of the program, recalled his experience.

“It was probably spring time in 1982. An expert from the private sector made a visit to my base and gave a lecture on the economy. Unlike today, most of the soldiers were not well educated and mostly high school graduates. Only 20% of the servicemen were undergraduates or graduates of a four- or two-year college. Some were only middle school graduates, meaning most of the soldiers did not have much knowledge about the economy. So, the outside expert’s interesting and easy-to-understand lecture was quite impressive and refreshing.

The lecture talked about the economic conditions in major advanced countries, such as the US, which was the direction that the Korean economy should be heading. It was so intriguing and meaningful that I can still recall many of them. After the lecture course was completed, a series of contests was held to test our economic knowledge and understanding. Questions were drawn from economic textbooks which were quite thick, I remember, and 40 soldiers, were selected randomly from each base, and participated in a written examination. I was in charge of preparing the soldiers for the exam, and I used to make a summary note and studied hard with my men. The contest was held every quarter, and we won a few times. Those experiences still motivate me to keep up with the economic trends at home and abroad.”

Kang Doo Lee, then head of the Office of Economic Education Planning at the EPB and a former national assemblyman, recalled “the military was the most passionate advocate for economic education. Despite being mostly rote-based learning education, only those who pass the test are allowed to have a regular vocation.”

The economic education for soldiers was not a one-time event, and was conducted for a considerable period. For those who always have to stay alert and concentrate on combat training as a duty to serve the nation, the lecture on the Korean and the global economy was a meaningful opportunity to have a better understanding of the world and society and, hence, have a smoother time rejoining society after the service.

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## 3.3. Student Programs

### 3.3.1. In the Early 1980s

To deepen the public's understanding of the economy and to gain their support for economic policies, the government began to promote the study of economics in primary and secondary schools, starting in April 1983. Before, the program's target audiences were mostly government workers, military servicemen, and private sector workers. Based on the mandate to 'make all general public to have economic mindset,' the government widened the target scope so as to empower every individual with better knowledge and understanding of the market economy. In doing so, the government hoped that he would go a long way to building consensus and support for the implementation of economic policies.

Under this context, the government sought to emphasize the study of economics for 5<sup>th</sup> and 6<sup>th</sup> grade primary school students and all secondary school students and undergraduates. At universities, economics was offered as part of the national civics course or as an additional course. The subject of economics was offered to primary and secondary students as extra-curricular activity, or separate class at the school's discretion, or during after-school programs.

In 1983, economics program was offered to primary and secondary students over two one-hour courses, and university students were offered three courses. Starting in 1984, the program was expanded in terms of both contents and instructors. Themes for undergraduates include global economic challenges, domestic economic issues, national public policy issues, low inflation and price stability, agricultural administration and mechanics of pricing rice, science and technology, etc. The economics curriculum incorporated audiovisuals such as slides and VTRs, as well as lectures.

### 3.3.2. In the Late 1980s

In 1986, the economic education program was expanded by being offered to primary and secondary students, teachers, and their parents. The Ministry of Culture and Education, former Ministry of Education, customized economic education content and curriculum to 6,880,000 students at primary and secondary schools, that dealt with a variety of themes including conspicuous consumption, household savings, energy saving, supporting Korean made goods, etc.

The goal of the economic education program was to educate students and deepen their understanding and awareness of economics and the market economy. The economic

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educational activities were offered daily in the classroom during social studies and civics, as well as counseling. Moreover, the program provided schools with projects based on economics. Schools had to choose more than two economic projects that included writing contest, case presentation, poster or slogan exhibition, speech contest, and exhibition of quality domestic products.

After 1987, the government increased the economic education program for schools, recognizing the importance early childhood development. Chon-Sun Ihm, professor of education at Sejong University, recalled:

“The government funded the development of economic textbooks for primary and secondary schools (totally, 12 grades) in the 1980s, which was unprecedented in the history of textbook writing. The economic curriculums for primary education — an integrated one at that time—and for secondary education were revised. The curriculum development process was handled by about 20 experts, including professors of economics and social studies, school teachers, and experts from economic research institutes, such as KDI. Before this, the study of economics was not taught as a separate course, but as a subsection within social studies. Economics came to be taught as a separate academic subject call ‘Political Economy.’

At that time, there were six effectives that school principals could offer as subjects at their discretion. Among these was a newly established one, “Life and the Economy,” which was designed not only to teach the basic of economics and public policy, but also to deliver knowledge that can be used in real life.”

According to professor Ihm who contributed in developing the economic textbook, the focus was on developing a more economic curriculum and making it part of the social studies curriculum, with a particular emphasis on jobs and careers. The curriculum on jobs and career were often confused with ideas on labor unions. In fact, the curriculum’s goal was to teach students about the core economic concepts and to equip them with skills needed in life by deepening their understanding of economics. A better understanding of fundamental economics was thought to give students the knowledge and skills to find a job and build a career.

The goal of the education program was to equip students with practical know-how through the economic curriculum and textbooks. Besides efforts to simply develop textbooks, new complementary and audiovisual educational materials were provided. Based on the US model of providing supplementary materials, a 20-minute-long audiovisual slide presentation was developed. It also contained a summary of 30 economic concepts, together

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with storybooks and cartoons introducing economic concepts in easy-to-understand words. As the study of economics as a subject grew and more educational methods and materials became available, students were able to learn about the economy.

### 3.4. Teacher Training Programs for Primary and Secondary Schools

A teacher training program for secondary schools was established to support the study of economics as part of the social studies curriculum. This was based on the belief that the schooling years for most Koreans offered the best setting to study economics and gain a better understanding. Investments in education during the early developmental years would have a lasting impact.

The teacher training program focused on social studies teachers as a way to promote the study of economics. Even one teacher with good quality teaching techniques could have a multiplier effect by impacting many students. KDI's National Institute for Economic System and Information, in partnership with government, has provided training to approximately 10,000 secondary schools teachers in economics for over 25 years from early 1990. The teacher training program was expanded to include primary school teachers. The training course is usually 30-hours long. There are also more intensive programs that are up to 180 hours. Private education providers also provide teacher training programs in economic education.

### 3.5. Public Broadcasting Programs

#### 3.5.1. Documentary

In the early 1980s, a documentary series was produced to inform the public and raise their awareness of important economic and public policy issues that impacted all Koreans. In 1980, Kyong-Shik Kang, an Assistant Vice Minister of the EPB, made a suggestion to Gong-Il Sa, Director of the Office of Fiscal and Financial Affairs at the EPB, to make a TV documentary about the Korean economy. Director Sa went on to be the first economist to produce a documentary in Korea. It was titled, "Inside Story of Inflation." It aired after the nightly news at 9 pm. The documentary was comprised of three episodes, each an hour-long.

The most important thing about making the documentary was making it interesting and easy to understand. To this, the documentary used images of the minting process at the



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Korea Mint Corporation and the Bank of Korea to show how printing money and expanding the money supply was related to inflation. This was followed by interviews with customers making a deposit at a bank, shopping at department stores, and policy makers.

The program was quite popular with the general public and had an impact in informing the public about the dangers of high inflation, the policies that would be needed to fight inflation, and the role the public had in addressing high inflation.

### **3.5.2. Economic Commentary**

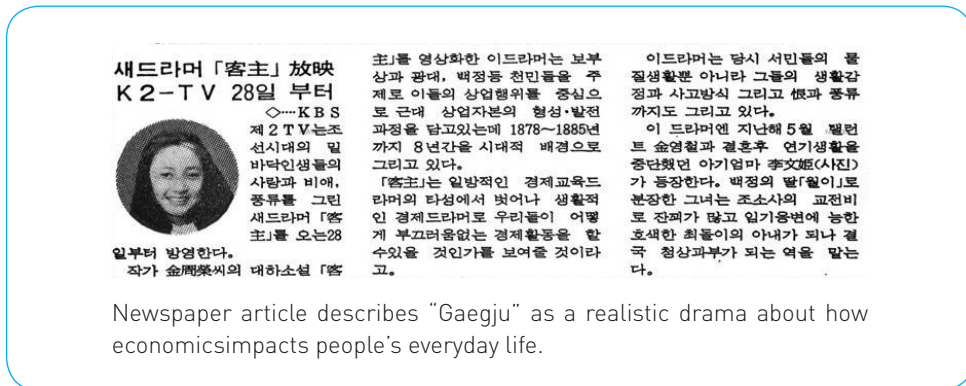
In 1983, the broadcasting networks began to get more involved by airing economic educational programs. After the evening news at 9 pm, KBS aired “Today’s Economy” while MBC aired “The Economy in 5 Minutes.” The short programs provided an analysis of economic trends. The Office of Economic Education Planning at the EPB collaborated with KBS and MBC in producing the economic educational programs by providing expert consultation and analysis for the first couple of years. The programs exceeded the initial expectations that it would have a significant impact on raising public awareness.

Afterwards, more commentary programs on economics were aired; MBC, KBS and SBS produced and aired five-minute short programs, titled “Walking and the Economy,” “Let’s Learn about the Economy,” and “It’s Memo Time for Economic Issues,” respectively. The programs’ economic commentary was similar to those aired in the 1980s and provided more in-depth coverage of economic policies in a way that was easy to understand. These programs contributed significantly to enhancing the public’s knowledge and understanding of economic and policy issues.

### **3.5.3. TV Programming**

KBS 2TV launched its new drama “Gaegju” (The Trader’sInn) starting on 28<sup>th</sup> March 1983. Adapted from the epic novel of the same title written by Joo-Young Kim, this period drama depicted the life and commercial dealings of traders, stage performers, and butchers, who were considered the lowest class of the Korean society at that time. Their life reflected the formation and development of commercial activities in modern Korea. Instead of just presenting economic concepts, this TV drama sought to teach economics by showing a realistic and practical depiction of how economics works in a real life setting.

Figure 5-3 | Newspaper Article about “Gaegju” in 1983



Newspaper article describes “Gaegju” as a realistic drama about how economic impacts people’s everyday life.

Source: Kyunghyang Shinmun, “KBS 2TV to Launch New Drama, “Gaegju,” Starting on 28<sup>th</sup>,” 21<sup>st</sup> March 1983.

### 3.6. Forum on National Policy Agenda

Starting on 27<sup>th</sup> August 1985, a national forum was organized to bring together 179 leading experts from the public sector, finance, and the business community, to address Korea’s economic policy challenges and issues. The forum was the first of its kind in Korea and attracted an enormous amount of attention within the economic policymaking circle.

The goal of the policy forum was to bring together leading experts from different sectors of the Korean economy to share and exchange views on the economy and formulate a policy agenda. Despite some differences among the participants, the event provided an important forum to share insights and exchange new ideas for how to address Korea’s economic challenges, as well as, deepening our understanding of the economic issues. One downside was that the forum could not convey the views of the public and other stakeholders. Nevertheless, the discussions resulted in different views being presented and in shaping the overall direction of policies. The forum helped to frame the public policy discourse in Korea.

### 3.7. Development of Economic Educational Content

Among different types of education content that was developed, short booklets were one of the most common. The most popular booklet published was called: “I Only Need a Half Fish.”

The booklets were about stories of people studying and working abroad. Stories of frugality and saving from other countries were also included in the booklets to promote

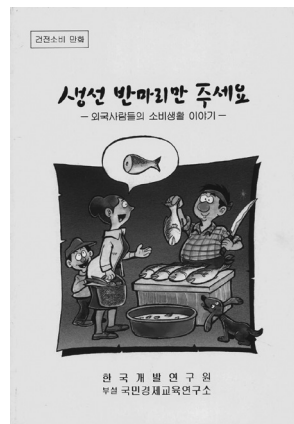
similar values in Korea. The booklet, “I Only Need a Half Fish,” was a story about the frugality of Japanese housewives and their economic attitudes to consumption. It was common for Japan housewives to buy food such as fish in small amounts, just enough for one or two meals. Until then, Koreans had never thought about consumption in economic terms. To many Koreans, the frugal values of the Japanese were new and different.

The booklets became an instant hit when they were first published in 1992, largely because of the interesting stories and experiences about economic life from advanced countries. It was republished as a cartoon in 1997. The cartoons were drawn by renowned Korean illustrator Won-bok Rhie. After the first edition of the cartoons was released, there was high demand from several schools, which wanted to use them as part of the economic curriculum. In fact, a total of approximately 100,000 booklets were published including second and third editions due to the high demand. The booklets were also distributed to public institutions as well as schools across the nation. It was rare that a booklet, made by the public sector, achieved such popularity that it had to be reprinted three times. This case demonstrates the importance of the way the content is developed and delivered but also making the content meaningful in order to create emotional tie with the audience and achieve desired learning outcomes.

Figure 5-4 | “I Only Need a Half Fish”



Original booklet published in 1992



Cartoon published in 1997

Source: Korea Development Institute.

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### 3.8. Publication of Korean Economy

To inform the general public about the economy and policy issues, the government launched a monthly magazine featuring direct interviews with policy makers: ‘*Narakyungje*’ (*Korean Economy*). Since its first publication in December 1990, the magazine has never skipped an issue for the past 25 years. Its mission has been to deepen the public’s knowledge and understanding of public policy issues by hearing it directly from government officials and policy makers. It also allows the government and policy makers to address public views or misconceptions of economic issues and public policies, which help to enhance the government’s credibility and capacity to build consensus with both the public and policy makers.<sup>13</sup> The magazine was supported by the Economic Education Bureau of the EPB, and its contents were edited by the National Institute for Economic System and Information. The magazine has been managed by both organizations. The topics and issues covered in the monthly publication are determined by the *Narakyungje* Editorial Committee consisting of directors from 12 economic ministries.

The trade negotiations of the ‘Uruguay Round’ were featured as a special issue in the first issue of *Narakyungje*. It also featured interviews with experts on the topics of ‘How to Transition the Korean Economy?’ and ‘Economic Policy Illustrated,’ which was directly addressed by a government policymaker. Some of the feature stories in the early issues included: ‘How to Develop Farming and Fishing Villages in Korea?’; ‘Measures to Strengthen Manufacturing Competitiveness and Fostering SMEs’; and ‘Stable Labor-Management Relations and Proper Wage Increase.’ *Narakyungje* has served as a great medium of engaging and informing the public on the important economic and public policy issues, with features and contributions by experts and policy makers. Many of the magazine’s contributors during the 1990s went on to hold high level positions in government including becoming Minister or Vice Minister.

*Narakyungje* was launched with the goal of deepening the public’s knowledge and understanding on economic and public policy issues. It has gradually expanded its role to become a leading source of insight and knowledge on the economy as well as a forum for policy makers and government officials to exchange views and opinions.

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13. Inchul Kim, ‘*Narakyungje*: From Issue No. 1 to No. 200, *Narakyungje*, July 2007, EIEC of KDI, 2007.

Figure 5-5 | Narakyungje Cover Image



Source: Korea Development Institute.

## 4. Economic Education in the Post-1990s

### 4.1. Defining Economic Education in Korean Society

During the early 1990s, economic education outside the school system was referred to as ‘economic education in society.’ Considering that social education is an organized and continuing educational activity that takes place outside of school, ‘economic education in society’ can be seen as a part of social education whose main subject is the economy. According to the US Council on Economic Education (CEE), economic education in society is a social education for adults to enhance their understanding and competence of economics in terms of function, institution, policy, and basic theories or concepts. This definition is focused on the understanding of basic economic concepts and the application of economics.

‘Economic education in society’ in this regard can be understood as a socio-educational activity which helps ‘members of society’ understand basic economic concepts, development economic reasoning, and promote better mutual understanding between economic participants. A better understanding of economics will allow people to make successful social and economic decisions that impact them. Here, ‘members of the society’ refer to the general public outside of the school system. It also includes workers in the public sector. The ‘mutual understanding between economic participants’ promotes mutual trust and understanding not only between different economic agents in the private sector but

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also between the government and the general public. The ‘right decision’ contains economic concepts and goals that the economic society pursues.<sup>14</sup>

In this context, economic education outside of school, or economic education in society, can mean, in a narrower sense, economic education for the general public, which therefore does not include economic education workshops for teachers, but of course does include those for government officials.<sup>15</sup> To put it another way, looking into the changes in economic education outside of school is equivalent to exploring the developments and progress in economic education for the general public. So, in this context, economic education in society reflects these characteristics: voluntary demand, practical knowledge, diversity of educational standards, and unorganized content. Among providers of economic education in society include 1) university institutes of continuing education, 2) cultural centers run by department stores, and 3) professional economic education institutes. Programs run by the first two providers are not deemed to be of great significance in quality as well as quantity, hence excluded in this report, and the main subject of this paper is economic education provided by the third group, professional economic education institutes.

## 4.2. Economic Education in Society

### 4.2.1. In the 1990s

Economic educational trend in Korea remained generally the same in the 1990s as the 1980s. The Korea Council of Economic Education was established in 1991, led by research institutes and economic education centers from academia and the private sector. The launching of the Korea Economic Education Association in 1994 was quite significant; in that, it served as a platform for researching and analyzing economic education in a systematic way.

The approach to economic education in society changed in the wake of the foreign exchange crisis in 1997. Before the crisis, the education providers mainly operated under a public-private partnership model, meaning the providers were private but led by the government. After the crisis, the private sector played larger and more direct role in providing education. Indeed, the crisis opened the market for private education providers

14. Cho, Young Dal and Kyung Keun Kim, ‘A Study of Measures to Promote Korea’s Economic education for civil society’, KDI Center for Economic Education, 1992 [in Korean].

15. On the other hand, the Korea Institute for Curriculum and Evaluation (KICE, 2015) defines the goals of economic education as “to acquire relevant knowledge and learn practical methods of inquiry in order to discern various economic phenomena and socio-economic changes in reality and to develop right sense of values and active attitudes necessary to solve pending problems.”

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to participate directly in economic education. However, there was no framework or method for teaching economic education. Nevertheless, there was a broad consensus about the absolute need for economic education

At that time, economic educational programs were largely handled by KDI's Center for Economic Education, which is government funded. It was about taking advantage of KDI's resources, and the participants of the program were mostly government officials, assistant administrators of civic groups, and journalists.

The 1990s was of course the period when economic education in school was given more attention, but at the same time it was the period when economic education organizations as well as academia started to pay attention to developing economic education curriculum. In the early 2000s, economic institutes started to pay attention as well. After assessing the economic textbooks being used, the institutes and academics found that the economic contents of the textbooks were inadequate and lacked sufficient teachings on economics and the market.

#### **4.2.2. In the 2000s**

There was a period of significant change after the credit card crisis in 2003 which resulted in massive defaults and exposed the risky behavior of credit card holders. Voices grew louder for improving economic and financial literacy. Accordingly, financial institutions began to advocate the need for greater efforts to raise the level of economic and financial literacy in Korea. These programs however were mostly aimed at promoting greater corporate social responsibility among Korean companies, and thus, only meant for the children of their clients. Most of these economic educational programs promoted by the banks were used to market financial products and services such as financial planning and investment, property management, etc.

There have been a few government-related financial institutions operating economic education programs for students and teachers. The Bank of Korea (BOK) and the Financial Supervisory Service (FSS) had put in a lot of time and financial resources in conducting training workshops for teachers and financial literacy programs for students. The Credit Counseling & Recovery Service (CCRS) also made enormous efforts to inform people about the risks of borrowing and to assist them in going through a debt relief program. The importance of financial education was strongly emphasized amid the 2008 global financial crisis and the introduction of new financial products. All these efforts eventually resulted in the establishment of the Korea Association of Financial Education in 2014.

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Another noticeable trend that became pronounced in the 2000s was the issue of widening social inequality. Social inequality worsened in the wake of the series of economic crises, including the foreign exchange crisis in 1997, the credit card bubble burst in 2003, and the global financial crisis in 2008. This has left many Korean financially vulnerable. Furthermore, a growing number of North Korean defectors and multi-cultural households have become socially disadvantaged. As such, several educational institutions and organizations have been established to promote economic and financial literacy. Indeed, the need to address economic education continues to grow in Korea.

The growing emphasis on economic education outside school is not just focused on education itself, unlike in the past. Efforts on economic education inside and outside of schools continues today, demonstrated by initiatives to develop stronger economic educational curriculum and school programs such as the “test free semester program” that allow students to explore career opportunities. In this regard, it is imperative that economic education in society move hand in hand with the efforts in school. As such, new educational curriculum and content need to be developed according to the changing circumstances.

### 4.3. Efforts to Strengthen Economic Education in Society

Economic education in society cannot be specified, since society as a whole is diverse, made up of people from different backgrounds, and economic education must be delivered accordingly. Identifying ways to address this will be of great importance in economic education in society in the future, which naturally demands a new change in the role served by existing economic education providers. As such, the education providers must also change and adapt to the changing needs of society; otherwise they will become irrelevant.

Promoting economic education in society is not easy because people need to feel a need to learn it. Since the economic circumstances are different for everyone, a one-time wholesale approach in economic education may not have a significant impact. Providing a customized education may be plausible, but it is just too costly. The use of new technologies may offer a more practical solution. Korea should take advantage of its technologies to develop and deliver educational content in a more effective manner.

There are increasingly greater efforts to expand economic education in society in Korea, and schools offer a great way to promote greater economic and financial literacy. In particular, students can benefit greatly in their own personal lives with economic education as part of their school curriculum. In this sense, efforts should be made on strengthening economic education both in school and society, and promoting greater linkage between the two.



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## 4.4. Future of Economic Education in Korea

The paper will discuss the factors driving Korea's economic education in society today.

First, more and more of Korea's social education are being provided by the private sector rather than by the public sector. Economic education in society is focused more on fostering an active citizen who can make self-motivated decision, rather than on economics and public policy issues. After experiencing the foreign exchange crisis in the late 1990s and credit card bubble burst in the early 2000s, people recognized the need for greater economic and financial literacy. Economic education centers that are mostly run by financial institutions that only target schools fall short of delivering a rigorous educational program.

Second, the role of the private sector has expanded in scale and type. However, the programs are designed based on their own interests, and the educational content and curriculum is not robust. Despite Korea's economic educational market being much more developed than in the past and able to deliver content on its own, challenges remain in developing a more systematic approach to economic education.

Third, the demand and the sources of the demand for economic education continue to grow, particularly from groups that are socially disadvantaged. This demand is reflective of challenges facing the Korean society such as the growing number of North Korean defectors and multicultural families, and increasing social inequality, which has left many among low-income households and older people financial vulnerable. In light of the growing need for economic education, it is important to develop and deliver educational programs that meet the needs of those who need it most.

In conclusion, Korea's experience in promoting economic education offers valuable insights and lessons for other developing countries. Today, the private sector plays an increasingly bigger role than the public in promoting economic literacy, which will likely result in greater demand for various kinds of economic educational content. As such, greater emphasis must be put on promoting economic education in schools, which offers the most effective and efficient means of improving economic literacy in Korea.



2015 Modularization of Korea's Development Experience  
Informing the Public on Policy Issues  
and Promoting Economic Literacy

## Chapter 6

### Assessing the Impact of Economic Education

1. Impact on Informing the Public
2. Assessing the Development and Delivery of Economic Educational Content
3. Public's View of Economic Education
4. Economic Education in the Media
5. Future of Economic Education

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# Assessing the Impact of Economic Education

## 1. Impact on Informing the Public

The impact of Korea's economic education program can be assessed by examining how effective the program was in improving economic literacy and supporting the implementation of the public policies.

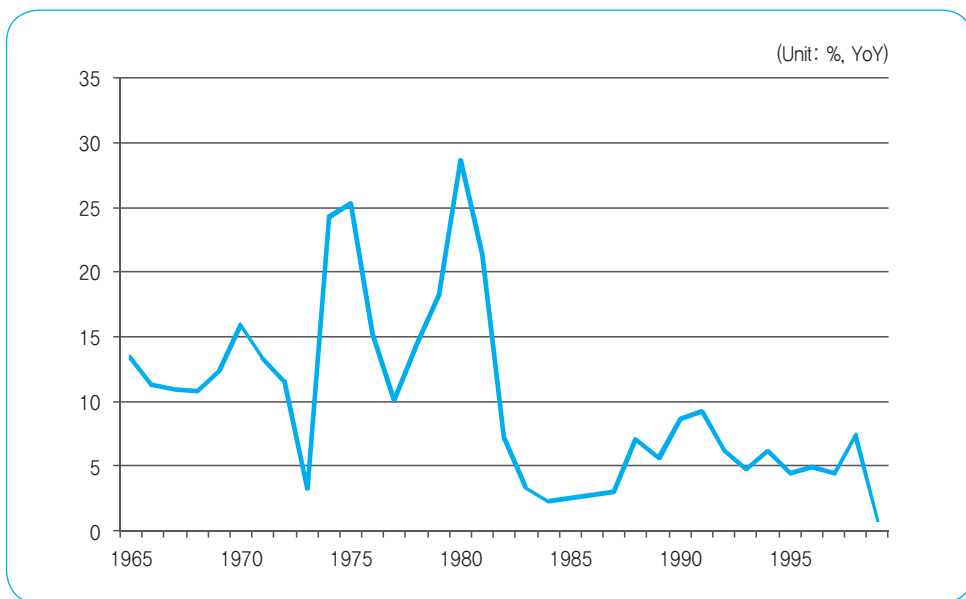
The 'National Plan for Economic Education,' drafted by the Office of Administrative Coordination in December 1981, stated the following goals: 1) Reducing expectations of high inflation—promoting the idea that small sacrifices on the part of the public will help Korea stabilize prices such as in the case of Japan and Germany, 2) Willingness to share the economic burden among businesses, farmers, households and the government. This suggests that the main goal of the national economic education campaign of the 1980s was to build public support and consensus for the government's economic stabilization policy.

Consumer prices continued to post double-digit growth between 1965 and 1981 (except for 1973, when prices rose 3.2%). In January 1978, consumer prices spiked by 2.9%, prompting several newspapers to publish editorials about high inflation. Prices eventually stabilized to single-digit levels (7.2%) in 1982, thanks to the government's strong economic stabilization measures. The average inflation rate remained stable at 5.3% until 1995. Also, the producer price inflation, which rose by 20% in 1979, stabilized to an average annual growth rate of 2.7% between 1982 and 1987. This was the result of not only the government's strong price stabilization policies, but also the economic education program, which helped to build public support for the government's policies.

Economic education contributed greatly to the successful implementation of tough policies and reforms such as significant adjustments to wages, tighter fiscal policies, and reduction in subsidies to rice farmers. An improvement in external economic conditions was not the only reason why Korea was able to still promote rapid and sustainable growth compared to other developing countries. The economic educational campaign, which was implemented simultaneously with the government’s economic stabilization measures, also played a major role by building public support and consensus for the policy measures.<sup>16</sup>

“It would be safe to say that the government’s policies to reduce rice subsidies, freeze wages, and tighten fiscal expenditures, would not have succeeded without the economic educational program.”<sup>17</sup>

**Figure 6-1 | Changes in Consumer Prices**



Source: Statistics Korea.

The goal of the economic educational program in the 1990s was to promote economic literacy by deepening the public’s knowledge and understanding of economics and the market economy. Incomes and consumption were growing rapidly, making it necessary to raise awareness on the need for greater economic literacy. Economic education in the 1990s

16. Cho, Dongchul and Kang, Younguck, 2013, “Korea’s Stabilization Policies in the 1980s,” KDI School.

17. Kim, Heung-ki, 1989, “The Glory of Korea’s Economy,” Maeil Business News.

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was much more systematic compared to the previous decade. The government developed educational programs with economic research institutions such as the National Institute of Economic System and Information and KDI. Lectures and forums were used in developing educational content for government workers, teachers, the news media, and civil society. Economic education conducted during this period was a driving force for boosting the public's knowledge of the market economy.

Economic education in the 1990s also helped the public better understand public policy issues. The program impacted not only government workers, teachers, and the media but also society as a whole. The increasing need and demand for economic literacy led to the growth of private economic education providers.

According to a survey that measures the public's view of economic issues,<sup>18</sup> conducted by the National Economic Research Institute in 1994, the Korean people were thought positively of the government's efforts to promote economic literacy.<sup>19</sup> The survey found that 91% believed that having economic literacy was important to promoting sustainable economic growth. It also showed that 65.8% had a positive assessment.

The Economic Information and Education Center of KDI conducted a research entitled "Asian Financial Crisis and Changes in the Public's Economic Perception," in the wake of the crisis. This report showed that 69.3% of the respondents were aware of the impact of foreign capital, which was an increase of 18.4% compared to two years ago (50.8%).<sup>20</sup>

These reports reflect how the efforts to depend the public's knowledge and understanding in economic and public policy issues since the 1980s has been successful.

## 2. Assessing the Development and Delivery of Economic Educational Content

Before the 2000s, economic educational content was generally delivered as group education in the form of lectures in schools and the public. With the advancement of Information Technology, educational content has been increasingly been delivered online since the 1990s. It was in the early 2000s when online education became wide spread.

18. Kim, Heung-ki, 1989, "The Glory of Korea's Economy," *Maeil Business News*, p. 314.

19. Park, Myungho, 1994, "Survey on the National Economic Consciousness and Practices," the National Economic Research Institute.

20. Song, Daehee, March 2003, "IMF Financial Crisis and the Change of Economic consciousness," KDI Economic Information and Education Center.

The government's economic educational program consisted mostly of lectures and handouts. For educational content used for teachers and government officials, the curriculum was full of economic terminology and graphs. It also used visuals such as cartoons to simplify the content when targeting students and households.

"Why Economic Education?" published by the Korea Chamber of Commerce and Industry (KCCI), discussed the challenges in delivering economic education in Korea as below:

"In terms of methodology, the effectiveness of economic education has lessened because of the standardized and rigid way the curriculum is implemented. During the Education of Civil Defense, trainees were used to conduct training in economic education, even to economic doctorates working at research institutes and universities. The program for military servicemen was highly strict; in that, the participants were not allowed to take leave unless they memorized the content. Moreover, the program focused on promoting savings and buying domestic goods even for the spouses of teachers, who earned a small salary. The economic educational programs also lacked sufficient training facilities and instructors.<sup>21</sup>

However, the recommendations by the economic education staff reported to the Prime Minister's Office showed their concerted efforts to improve the program. In terms of the plan for the economic education, the Presidential instructions were as follows.<sup>22</sup>

- The economic educational program should deal with economic issues such as wage, price, international competitiveness, and financial crisis. It should also discuss the experiences of US and Korean automakers in dealing with financial crisis.
- The titles of the slides are too big and the content is insufficient. As such, smaller size fonts should be used for titles and the content should be more reader friendly using colors.
- Include the name of the bankrupt West German company in the factory picture.
- Explain explicitly to what extent domestic savings can contribute to price stability and exports. The increase of deposits by households helped to decrease the number of robberies during the last Chuseok (Korean Thanksgiving).
- The level of language used in the content should match the target audience. For example, the term, protective trade, should not be used without a clear definition. The easiest explanation can be the most effective.

21. The Korean Chamber of Commerce and Industry, 1985, "Why Economic Education?"

22. Office for Government Policy Coordination, 1982, "Report of the Economic Educators to the Presidential Office."

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- The causes which hamper the fair trade system should be drastically corrected by actively by using real-world situations.

The economic educational content at the time was heavily focused on economic theory and raising public awareness of public policies. At the beginning of the program, it may have made sense to start with theories. But this made it hard to understand the economic content.

In this respect, the textbook, “*A Half-Cut Fish Please – Consumer’s Life Stories in Foreign Countries*,” published by the National Institute for Economic Education in 1992 was a novel idea; in that, it applied economics in a real-world context. Unfortunately, not many of the books were published, despite the high demand.

Informing the public of public policy issues could deepen their knowledge and understanding. It could also provoke public antipathy when the government tries to change policy according to the economic environment change. Therefore, efforts to inform the public should include a long-term view of the policy in order to build trust.

### 3. Public’s View of Economic Education

A survey conducted by Maeil Business News in March 1983 showed how effective the government’s economic education programs had been. The study surveyed 1,000 people from Seoul, Daejeon and Gwangju. The results of the survey showed that many people were aware of the government’s main economic education programs, and wanted to take part in the programs. They also believed that economic education was important to ensuring a better future.<sup>23</sup>

The survey results also indicated that the government was successful in promoting its program, as 89.2% of the respondents were well aware or at least knew of the program.

Among the people who participated in the program, 83.9% of the respondents said it was helpful, with 38.4% answering ‘very helpful’ and 45.5% answering ‘slightly helpful’. In addition, 93.5% said they intended to participate again in the future, which suggested that the government’s program met people’s expectations.

Meanwhile, a 1993 survey titled, “Public Survey of the Government’s Public Awareness Campaign on its Economic Policies”, which was conducted in the six major cities, found that a majority of the respondents (60%) considered ‘informing the public’ as the government’s

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23. Maeil Business News, 24 Mar. 1983.



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most urgent task.<sup>24</sup> This showed that even in the 1990s, people thought that they needed to be informed by the government.

In the survey, most respondents identified ‘prices’ as the most important policy issue for the government to address, since it impacted them directly in their life. The survey found that the less people were educated, the more they needed to be informed about the government’s price policy. In addition, the most favored medium for delivering content was ‘through mass media, such as TV and newspapers.’

The survey also asked questions about the effectiveness of the economic educational content. 60% of the respondents said they were effective. Those in their 40s and 50s, who tended to be more aware of economic issues, responded most positively. This supported the effectiveness of the government’s educational program.

In short, the key factors behind the program’s success were being able to identify the issues the public cared about and the methods to best explain those issues.

Meanwhile, preferences regarding instructional methods shifted over time. Economic education, which was originally mainly based on large-scale lectures, evolved into various forms, using mass media, cartoons, videos and pamphlets.

The public was generally in favor of the content that was delivered through the media. As much as 50% of the respondents approved of newspaper articles written by policy makers while nearly 70% favored TV debates moderated by policy makers. In other words, the public reacted positively to hearing directly from those responsible for making policies.

Recognizing and delivering the kinds of content and medium the public responded to was an important factor in making economic education so effective.

## 4. Economic Education in the Media

This section examines the number of times relevant keywords have appeared in newspapers during the program’s implementation to measure the public’s level of interest. This also provides an indication of the level of interest in the economic educational program and public policy issue covered in the media. Using Naver’s News Library, keywords such as ‘economic education’, ‘inflation’, ‘wage increase’ and ‘fall grain purchase prices’ were searched in newspapers published from the 1970s to 1990s to see how often they appeared.

24. Kim, Joung-Ho, 1993, “Public Survey on Government Economic Policy Promotion,” Center for Economic Education.

We also compared the frequency of the keyword ‘economic education’ with other keywords, to measure the correlation between economic education and the government’s policy efforts. Aggregating the number of times the keyword has appeared in each newspaper can provide an indication of the kind of impact the issue had. It can also be used to gage the program’s impact. However, this is only a comparison and not a scientific analysis of the relationship.

〈Summary〉

- \* Methodology
  - Keyword search through Naver News Library (<http://newslibrary.naver.com>), analyzing frequency of keyword appearances by year
- \* Keywords: economic education, inflation, wage increase, fall grain purchase prices
- \* Timeline: Jan.1.1971 ~ Dec.31.1999
- \* Newspapers analyzed: Dong-A Ilbo, ChosunIlbo, and Maeil Business News

The following is the result of a keyword search from 1971 to 1999.

**Table 6-1 |** Number of Times the Keyword Appeared in the Newspaper

(Unit: case)

	Keywords			
	Economic Education	Inflation	Wage Increase	Fall Grain Purchase Prices
1971	3	426	215	66
1972	5	310	145	46
1973	1	310	173	41
1974	1	555	295	93
1975	5	424	191	117
1976	5	341	157	104
1977	8	358	167	65
1978	3	410	265	50
1979	2	462	221	60
1980	7	432	432	31
1981	48	510	303	171
1982	75	339	275	128
1983	155	237	209	93

	Keywords			
	Economic Education	Inflation	Wage Increase	Fall Grain Purchase Prices
1984	70	150	162	59
1985	43	201	239	65
1986	35	137	225	21
1987	50	240	1095	115
1988	54	397	1133	198
1989	68	492	1694	360
1990	49	573	768	197
1991	71	621	696	148
1992	82	348	504	140
1993	58	376	522	151
1994	68	504	374	68
1995	41	263	360	33
1996	93	349	304	123
1997	73	334	333	30
1998	50	239	100	12
1999	18	357	151	18

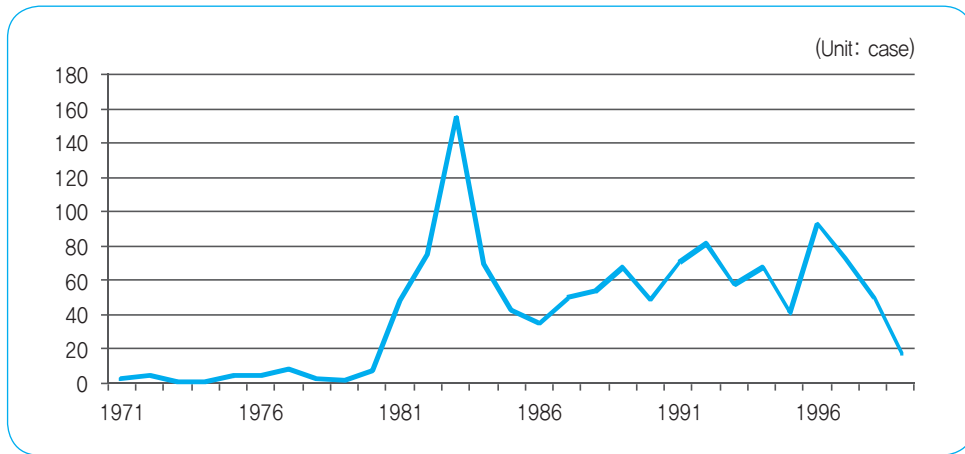
Source: Figure created by author.

## 4.1. Economic Education

The government started to discuss the possibility of establishing a national economic educational program in 1980. To this end, research was conducted on economic education during the early to mid-1980s. The results of a keyword search for this period are consistent with this point.

Prior to 1980, the word ‘economic education’ appeared in the news less than 10 times per year. In 1981, the frequency jumped to 48, and peaked in 1983 at 155. Examining the kinds of keywords used in the media provides an indication of the program’s impact. However, the number declined until 1986, after which it fluctuated.

Figure 6-2 | Search Results for the Keyword 'Economic Education'



Source: Figure created by author.

The following are some of the newspaper articles that mention economic education.

[Kyunghyang Shinmun, Apr.15.1981] "Stabilizing Prices is Key to Economy"

[...] President Chun pointed out that 'even the best policies are bound to fail without the cooperation of the people and the working class,' adding that 'since economic education is necessary to obtain this kind of cooperation, the government should repeatedly push ahead national economic education.'

[Maeil Business News, Feb.4.1983] "President Chun Emphasizes Stabilization"

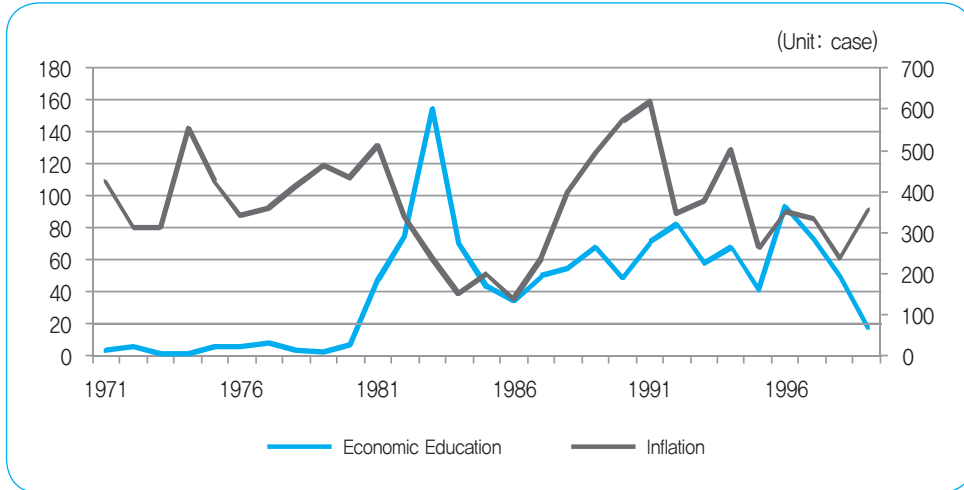
President Chun (...) stressed that 'this year economic education should be expanded so that every person has a good understanding of the economy and pitches in on the effort to overcome economic difficulties.'

## 4.2. Comparison of Frequency between Keywords Related to the Economic Education

Three keywords ('inflation', 'wage increase', 'fall grain purchase prices') were selected in relation to the economic stabilization policies of the late 1970s. These were then compared with the results of searching 'economic education'.

In the early to mid- 1980s, when the economic educational program was in full swing, the keyword ‘economic education’ appeared more frequently in the news while ‘inflation’ appeared less frequently. The use of ‘economic education’ peaked in 1983 at 155, and in the following year the use of ‘inflation’ reached a 10-year low of 150.

**Figure 6-3 |** Search Results for Economic Education (left) and Inflation (right)



Source: Figure created by author.

As shown in [Figure 6-3], there has been a negative correlation between economic education in the early- and mid-1980s and the number of times the keyword ‘inflation’ has appeared. This is consistent with data showing that prices rapidly stabilized after 1981. Prices started to rise again after 1987, as the media started paying attention to inflation again. Consequently, ‘economic education’ also began to appear more frequently during this period.

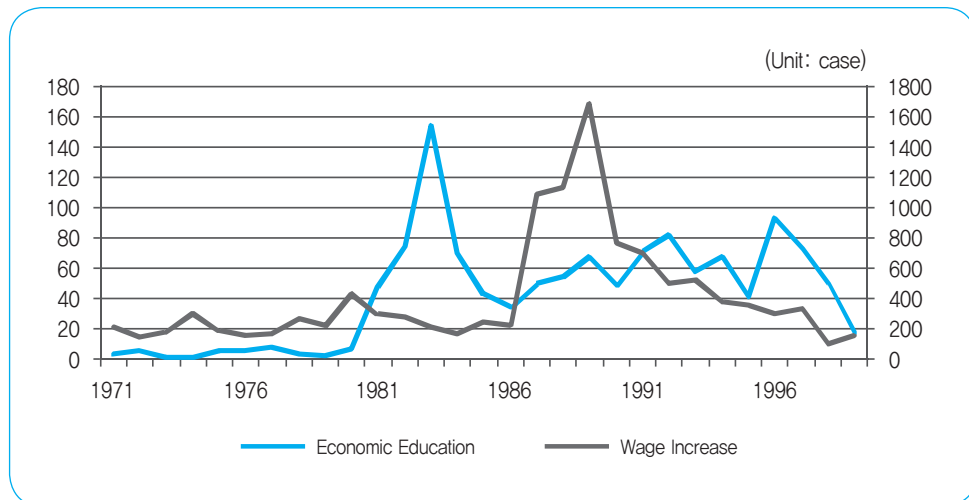
An article appearing in a daily newspaper in 1984 shows the close relation between economic education and inflation.

[Maeil Business News, Jan.5.1984] “Korean Economy in 1984: Prices Part I”

[...] 1983 was a milestone for Korea in terms of price control. Wholesale prices declined 0.8% compared to the end of the previous year, while consumer prices rose only 2.0%. Price stabilization in 1983 was significant because it was achieved through the joint efforts of the government, businesses, workers and households.

Search results for ‘economic education’ and ‘wage increase’ do not show a distinct correlation. However, the keywords ‘wage increase’ appeared more frequently after the mid-1970s but declined again at around the time of the use of keywords ‘economic education’ surged. In reality, this was when Korean workers saw a steady rise in wages. In the late 1980s, ‘wage increase’ appeared very frequently in the news, which can be attributed to the fact that the Korea’s working class was engaged during the democratization movement. At the same time ‘economic education’ also appeared more frequently, and afterwards the keywords ‘wage increase’ began to appear less.

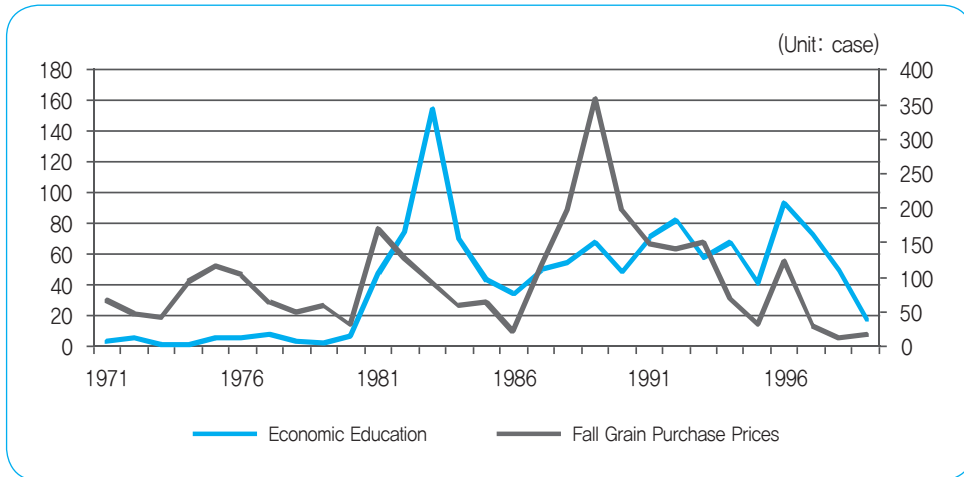
**Figure 6-4 |** Search Results for Economic Education (left) and Wage Increase (right)



Source: Figure created by author.

Search results for ‘economic education’ and ‘fall grain purchase prices’ showed a negative correlation since the 1980s, when economic education began to be promoted on a national scale. While the keywords “fall grain purchase” appeared less, a strong measure of stabilizing fall grain purchase prices was conducted to largely restrain the price increase.

**Figure 6-5 | Search Results for Economic Education (left) and Fall Grain Purchase Prices (right)**



Source: Figure created by author.

## 5. Future of Economic Education

For economic education to be effective, learners must feel the need to learn and the right method and content need to be developed. In this sense, Korea’s economic educational program of the early 1980s was largely centralized and led by the government. However, it was the right method for the time considering the economic challenges and circumstances faced by Korea in the 1980s, and the need to stabilize the economy.

The Ministry of Government Administration sent an official document titled ‘Economic Education for Civil Servants for the Summer of 1983’ to local governments, the Constitutional Committee and the National Election Committee on July 5, 1983, all of which participated in an economic training program in July and August, the results of which were reported to the ministry. A total of 650,000 civil servants and 210,000 government workers received 120 minutes of training on economic and policy issues including: ‘Recent Economic Trends and Policy Direction (25 Minute Lecture)’, ‘Becoming a Developed Nation (25 Minute Slide Presentation)’, ‘Opening an Era of Stable Prices (25 Minutes Slide Presentation)’, ‘Improving National Competitiveness (25 Minute Slide Presentation)’, ‘Evaluation (10 Minutes).’ The training program was also offered to public institutions, teachers, and military servicemen. The program included lectures and the results of the program were reported to the central government.

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Because economic education was conducted in such a sweeping manner in the 1980s, it contributed to supporting the government's successful implementation of its economic stabilization policies. On the other hand, economic education in the 1990s was conducted in a more interactive manner, following Korea's political democratization.

Growing demand for economic education led to the need to develop easier to understand and more interesting economic content. According to the "Public Survey on the Government's Efforts to Inform the Public on Economic Policies", conducted by the Center for Economic Education in 1993, most respondents suggested that informational and educational content on economic policies should be more specific and easier to read. This implied that the government needed to develop educational content and programs customized for different target audiences. Reflecting such demands, economic education programs became more diverse, and consequently, more effective and satisfactory.

After private economic education institutions started to appear in the 1990s, the government's direct involvement in economic education was reduced. However, the government should continue to play a role in developing and delivering economic educational content, particularly for the most disadvantaged and vulnerable segments of the population such as low-income households, senior citizens, North Korean defectors and multi-cultural families.

The public economic educational program was originally aimed at enhancing the public's knowledge and understanding of the economy and public policy issues to support the government's policy efforts. The program gradually evolved over time and expanded its efforts to promote economic literacy. Earlier it's in fancy, the program was focused on informing the public on the government's economic stabilization policy. Subsequently, the program's goals and scope of activities has broadened to include a greater variety of educational content and audiences.

To ensure economic growth, the public should have an understanding of the economy and the economic trends in the world economy. The more the public is economically oriented, the more people will benefit from economics in their life. Therefore, it is important to deepen the public's knowledge and to teach them how to use the knowledge in order to promote sustainable development.

The government cannot do this alone. The government can provide support and build the necessary social infrastructure, but eventually the role should be transferred to specialists. The government should ensure that basic economics are taught in schools, and also should support various institutions that provide economic education. In addition, the government



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should play a role in informing the public and raising their awareness on major economic and public policy issues by delivering educational content via mass media and holding public forums and debates, as a way to build public consensus.



2015 Modularization of Korea's Development Experience  
Informing the Public on Policy Issues  
and Promoting Economic Literacy

## Chapter 7

### Lessons for Developing Countries

1. Knowledge Sharing
2. Lessons for Developing Countries

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# Lessons for Developing Countries

## 1. Knowledge Sharing

This report examined the background, strategies, content, and impact of Korea's public economic educational program in the 1980s and 1990s. Korea's efforts in informing the public on the economy and public issues were an indispensable part of its economic development. Although the public education program did not influence the real economy directly, it played an important role in supporting the government's policy implementation during a crucial period of the Korean economy. As such, sharing Korea's experience can provide valuable insights and lessons for developing countries.

Every country is bound to face challenges in the process of economic development. Countries need to adapt to the fast-changing economic environment. However, governments are often unable to meet the needs and demands of the public, as the economy and incomes grow. During times of economic difficulty, the biggest development priority is making sure basic necessities such as food, clothing, and housing, are provided. Afterwards more attention can be put on addressing issues related to social welfare and quality of life. Thus, development policies should align with a country's economic growth stage and the changing demands of the public.

Studies suggest that the government can and should play a leading role in promoting economic growth in the early stages of development. However, government-led development strategies tend to become inefficient as the economy grows, as it leads to unbalanced growth and interferes with the private sector. Therefore, economic development can be led by the government before gradually shifting from the government to the private sector.

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In many cases, it will be a challenge to make this transition, as the public becomes accustomed to a certain development strategy. The public may believe it is the government's job to take care of everything, and hence, it may come to rely on the government. Businesses also may fear the uncertainty of no longer being supported by the government in terms of trade protection or financing. However, the government cannot do everything. The unsustainability of the state-led economy resulted in the communist countries of Eastern Europe to transition to a market economy. The economy is most efficient when it is by the dynamism and creativity of the private sector. Also, international rules of trade no longer allow governments to nurture businesses through preferential financing.

When faced with an economic challenge, governments must inform the public as soon as possible. Changes that could deeply impact a nation's economy need to be undertaken with public support and consensus, which can be facilitated by promoting economic education, as in the case of Korea. The government can engage the public through economic education.

The success of Korea's economic education program was founded on the strong leadership of the President and other major policy makers, who recognized the need for such a program. Another success factor was the rapport created with the public through the provision of unfiltered and accurate information on the Korean economy and global economic trends. Likewise, the fact that the economic education program started with groups that are in positions to influence the economy, such as civil servants and businesses, contributed to its success.

Although developing countries face different economic circumstances economically and politically, Korea's experience in informing the public and promoting economic literacy can offer valuable lessons. The fact that Korea and many other developed countries continue to emphasize the importance of public engagement and economic literacy only demonstrate its importance today. If developing countries support programs that inform the public and promote their understanding of economics, its people will benefit and the country will benefit by raising its national competitiveness in the global economy.

## 2. Lessons for Developing Countries

Korea has successfully coped with the side effects of its rapid economic growth. In particular, Korea has transitioned from a growth-oriented development model to a model that is more stable and sustainable within a short period of time. Economic education is not merely a means of implementing policies and reforms. The public and private sector are both engaged in informing the public on policy issues and promoting economic literacy.

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With the enactment of the Economic Education Support Act in 2009, the government is seeking to build up programs and institutions for promoting greater economic education.

Developing countries should think about having the government take the lead in the early stages and establish a dedicated program to inform the public on policy issues and promote economic literacy in a sustainable and systematic way. Some of the Korean government's past experience may not be applicable now due to different political context and the emergence of new information technologies. The development and delivery of the educational content should take into consideration the target audience.

Developing countries need to take into consideration several points when planning economic education for the public. Developing countries share many economic commonalities with advanced countries.

Economic development policies should be implemented step-by-step. Policies and reforms that significantly alter the status quo often lead to pushback and dislocation. As such, the government should seek to inform the public of major public policies to gain their support and consensus in implementing them. As the economy grows and the role of the private sector expands, it becomes much harder to implement policies and reforms without public backing.

Economic education should be tailored to the needs of different target audiences. The educational contents should be interesting, applicable, and easy to understand.

The most effective means of informing the public on policy issues and promoting economic literacy is the use of mass media, such as television or radio broadcasts. Younger audiences in particular are more receptive to communicating via social networks (Twitter, Facebook, etc.).

The presenters delivering the educational content need to consider the different target audiences. The presenters also need to be trusted and respected by the public to deliver economic education more effectively.

The use of well-known experts or public leaders can lend credibility when explaining global economic issues and trends.

Economic education programs for elementary, middle and high school students should be conducted simultaneously with programs for adults. New textbooks should be developed to support the study of economics in schools. The curriculum should not be limited to merely teaching theories and basic concepts, but also tutoring students on how to cope with personal economic situations.

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The government should work with specialists to develop an economic educational program. The government should establish an institution that coordinated the program. It should also create an advisory committee consisting of experts from both the public and private sectors.

The success of Korea's economic education program was largely attributed to the willpower of the nation's policy makers. Likewise, economic education in developing countries is dependent on the enthusiasm of their top policy makers. Once implemented, continuous efforts must be made to modify and improve the economic education programs. Since it is impossible to change individuals' behavior without changing their perception first, economic education can be more effective if it is an ongoing effort and not a one-time event.

Global trends also show that developed countries are more inclined to boost their economic educational programs. This has considerable implications for developing countries.

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## 1. Major Developments in Korea's Development History and the Economic Educational Program

Year	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Historical Background	April Revolution	May 6 Military Coup	1 <sup>st</sup> Five Year Economic Development Plan (1962~66)	Stock Exchange Established	Export-led Growth Strategy Implemented. Exports Exceed US\$100 million	Interest rate Normalization Policy		2 <sup>nd</sup> Five Year Economic Development Plan (1967~71)	Gyeongbu Expressway built (1966~1970)	Export Promotion System Implemented
		Per Capita Income Reaches US\$82	Securities and Exchange Law enacted							
Organization		Economy Planning Board Established*					National Tax Service Established			
Activities										

\* Events with asterisks refer to changes within the same organization.

Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Historical Background	US Ends Aid to Korea		3 <sup>rd</sup> Five Year Economic Development Plan (1972-76)	Government Announces Plan to Develop Heavy and Chemical Industries	Emergency Measure No.3 Implemented	Plan to Promote Exports to Middle East Introduced	Value Added Tax Introduced	4 <sup>th</sup> Five Year Economic Development Plan (1977-81)	Comprehensive Measures for Curbing Real Estate Speculation and Stabilizing Land Prices Announced	Economic Stabilization Policy Announced (April 17)
			Private Loan Market	1 <sup>st</sup> Oil Shock			Exports Reach US\$10 billion	Per Capita GNP Reaches US\$1,000	2 <sup>nd</sup> Oil Shock	President Park Chung-Hee Assassinated
Organization		KDI Established				Office for Middle Eastern Economic Affairs Created.				
Activities										'New Strategies for the 1980s' Booklet Published (January)

Year	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Historical Background	Economy Records Negative Growth	5 <sup>th</sup> Five Year Economic Development Plan (1982-86)	Law on Real-Name Financial Transaction System Enacted	Amended 5 <sup>th</sup> Five Year Economic Development Plan (1982-86), Three-step Import Liberalization plan Unveiled	Minimum Wage Plan Proposed (Gradually Implemented in 1987)	Comprehensive Real Estate Measures Announced (Reorganized to Aggregate Land Tax in 1986)	6 <sup>th</sup> Five Year Economic Development Plan (1982-86) Trade Surplus Achieved	Major Labor Unrest	National Pension System Launched	Two Million Housing Unit Construction Plan Announced
	Rice Harvest Impacted by Cold Weather							Direct Presidential Election System Adopted	Interest Rate Liberalization Announced	
Organization	Chun Doo-hwan Inaugurated as 11 <sup>th</sup> President of the Republic of Korea	Start of Fifth Republic (Chun Doo-hwan Inaugurated as 12 <sup>th</sup> President of the Republic of Korea)	'Office for Promoting Economic Policies' Reorganized, as 'Economic Education Planning Office'*		Private Economic Education Council Created				Roh Tae-woo Inaugurated as 13 <sup>th</sup> President of the Republic of Korea	'Economic Education Planning Office' Reorganized, as 'Economic Education Planning Bureau'*
		Economy Planning Board Creates 'Office for Promoting Economic Policies'*							Economic and Social Development Institute, an affiliation of Federation of Korean Industries (FKI), Established	Economic Education Planning Division, Education Promotion Division, Education Research Division Created*
Activities	Production Starts on TV Documentaries of Economic Issues	Government-led Economic Education Officially Starts	Economic Education for Military Servicemen Reinforced	Economic Education Program for Elementary, Middle and High School Students Starts	Organizations Participating in Economic Education Increased (12 Ministries, 4 Economic Organizations, 51 Businesses, Public Banks, 5 Research Institutes)	Major Economic Debate held (August 27)	Economic Educational Expanded to include Teachers and Parents		Korea Educational Development Institute (KEDI) Establishes Economic Education Research Office	National Institute of Economic System and Information Established
		Economic Education Programs for Civil Servants Starts								

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Historical Background	Trade Balance Swings to Deficit	7 <sup>th</sup> Five Year Economic Development Plan (1992-96)	Financial Liberalization Plan Announced	Five Year Plan for New Economy (1993-97)	Per Capita income Exceeds US\$10,000	Real-name Real Estate Transaction System Announced	Korea Joins OECD	Asian Financial Crisis Requests IMF Loan	Korean Economy Contracts 6.8%	Korean Economy Grows 10.7%
	Implementation of Real-name Financial Transaction System Delayed		Real-name Financial Transaction System Implemented	Capital Liberalization Plan Announced		Labor Laws Amended				
Organization		Korean Economic Education Council Established			Economic Education Planning Bureau Dissolved				Economic Education Organizations Established in the Form of Foundations	
		National Institute of Economic System and Information Reorganized into KDI as Center for Economic Education		Civil Government Starts	Korea Economic Education Association Created					
Activities	First Issue of Monthly 'Narakjungje' Published	Economic Education Program for Teachers and Civil Servants	Economic Education Program for Teachers and Civil Servants	Economic Education Program for Teachers and Civil Servants	Economic Education Program for Teachers and Civil Servants	Nationwide Policy Forum Series Initiated	Nationwide Policy Forum Initiated		Gold Collection Campaign Initiated	

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Historical Background	January Trade Balance: Exports US\$11.23 Billion, Imports US\$12.63 Billion	Korea Ends IMF Loan Program		Exports US\$194.3 Billion, Trade Surplus US\$15.5 Billion	GDP growth 5.6%, Per Capita Income US\$14,162 Korea Records May Trade Surplus of US\$3 Billion		Per Capita Income US\$20,000	Current Account Deficit Reaches 10-year High of US\$1.93 Billion in April	January Trade Deficit Reaches US\$3.4 billion Global Financial Crisis	Economic Education Support Act Enacted
				Financial Education Council, a Private Organization, Launched	Private Economic Education Working Group Launched		Private Economic Education Working Group Reorganized into Korea Association of Economic Education		Financial Education Strengthened (Teachers, Students, etc.)	Korea Association of Economic Education Leads Economic Education Efforts in Korea
Organization										
Activities										





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