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JIN HWAN PARK

*The Work of Agricultural Economists at Community, Village and Local Governmental Levels — Accomplishments and Challenges*

1 INTRODUCTION

Traditional rural Korea has shown a rapid progress in recent years. Physical environments in 3,500 villages have been improved dramatically, while the living standard of farm people has been improved materially. But above all, the work ethic of farmers is far better than before. Most people in Korea agree that the rapid progress of rural life is due to the Saemaul (New Village) Movement which is loosely understood as a movement for a “better living”.

The Movement was intended to build up a better “work ethic” among farmers. It was intended to build up a work ethic not by lectures or preaching but by inducing farmers’ participation in various action-taking programmes.

As an agricultural economist, working in the Presidential Office, I have been closely involved with the Saemaul (New Village) Movement. For the last eight years most of my time has been spent in training village leaders, local officials and social élite groups to enhance the Movement on a national scale, and I have visited around 4,000 villages to meet villagers and local officials.

This paper summarizes my experience of bringing agrarian changes in Korea, with special reference to the Saemaul Movement which has been the integrated rural development programme since 1971.

While I was teaching at University I came to the conclusion that a good work ethic among farmers, such as the self-help spirit, diligence, and co-operation, is the vital factor for reducing development cost and for accelerating rural modernization. Because of very limited physical resources, human capital is the main resource for the development of Korea. Reviewing the changes in the human capital of Korea for the last three decades it can be said that the level of technological knowledge among Korean people has been improved significantly, and it has been the basic factor for the economic developments in the 1960s and 1970s. Comparatively speaking, however, the work ethic of the people was not being developed at the same rate.

Political disorders and hyper-inflations which prevailed right after the end of World War II were hardly conducive to building up people's work ethic. The Korean War (1950-53) was the most critical factor demolishing such work ethic as honesty in business transactions, penny saving habits, co-operation for a common goal. The rapid economic developments in the 1960s brought severe tensions between the haves and the have-nots. Some of the persons who got a windfall gain out of the economic growth did not know how to use their fortunes and this tended to create jealousies among persons who did not profit as much from the rapid changes.

In the process of rapid urban industrialization of the economy, the young farm operators became reluctant to stay on the farm. A feeling of "growth shock" prevailed among farm people. During election seasons, politicians tended to get votes by making unrealistic political promises to the local people. Farmers, on the other hand, increasingly came to rely on the government's budget. Without a strong self-help spirit of farmers, the rural sector became too costly for the national development. People talked often about the urgent need for a self-help spirit of farmers, but solutions were not easy.

## 2 "CEMENT" FOR RURAL WORK ETHIC DEVELOPMENT

In 1971 the Korean economy had an excess supply of cement, and the government made a decision to dispose of the surplus cement by distributing it freely to rural villages. Around 300 bags of cement were distributed to each village evenly, on condition that the cement should not be divided individually but be used for common village projects. On the average, there are about 80 farmers in a village unit. Hence, the 300 bags of cement means 4 bags of cement per farmer (about \$4.00).

The responses of farmers in the first years' programme were far greater than the policy makers had expected. In most cases villagers added their own capital goods and labour to the distributed cement in order to accomplish selected projects. In many cases the contribution of the villagers' capital goods and labour was unbelievably large and the accomplished projects were so remarkable that many villagers remain ever proud of their own accomplishments.

Overall, the first year's results showed that, out of 35,000 villages, about 16,000 villages responded very actively. Hence, for the second year programme (1972), the government provided 500 bags of cement with one ton of steel to those 16,000 villages which responded more actively in the first year.

Taking into account the variation in the degree of participation in the self-help programmes, the 35,000 villages were classified into three categories; basic villages in which the degree of participation was rather low, self-helping villages and self-standing villages. Government assistance was given mainly to the self-helping or to the self-standing villages.

This was to stimulate the emergence of a self-help spirit in the basic villages. In order to get government assistance the villages must help themselves.

One of the key factors affecting the response of farmers to self-help programmes in basic villages is the changes in neighbouring villages. Observing their neighbours in self-standing villages who were making visible progress in a programme of self-help, the farmers in the do-nothing villages came to feel envy and frustration. In 1973 about one third of the 35,000 villages belonged to the basic villages. Since then, the number of basic villages has become only a negligible proportion of the total, and around two thirds of all villages belong to the self-standing category.

About twenty kinds of projects were undertaken under the Saemaul Movement and most of them were intended to improve the living environment of the villager. A few of them will be introduced in this paper.

#### *Village road improvement*

Village roads connected to the local public road are often narrow and winding without bridges, and vehicles are unable to reach villages. Most of the 35,000 villages improved their village roads by widening and straightening them so that vehicles could reach villages easily. Small bridges were constructed with their own resources. In 1971, the total number of bridges in all the rural villages in the country was around 50,000. In 1976, the total number was 100,000, which indicates that about 50,000 bridges were additionally constructed in the last few years under the Saemaul Movement. Presently, vehicles can reach any of the 35,000 villages, except those located in the islands.

The improvement of inner village roads involved more complex and difficult tasks than the village access roads. Taking for example a typical village in Korea, about 100 farm houses have clustered irregularly over many years and village roads connecting farm houses are often too narrow and winding to use ox-carts, push-cars, motor tillers, and vehicles. Thus, traditional in-village roads became a critically restricting factor for introducing labour saving machinery and equipment. To widen and straighten village roads many farmers in the village had to sacrifice part of their housing sites and often even part of their houses. The Government paid no compensation for the properties so sacrificed. The decisions concerning whose properties and how much should be taken away had to be made by the villagers themselves. Almost every night villagers got together to discuss and reach an agreement.

In the traditional rural Korea decision on village affairs used to be often made by men alone excluding the women's voices. This tradition was changed entirely in the process of carrying out Saemaul projects. For example, because the village road developments affected every household, women as well as men participated in the meetings. Evidently, they have learnt that the active participation of women is an essential factor for the successful execution of any Saemaul project. Consequently villagers

have elected a woman leader in addition to the male village leader. In most villages housewives have organized a women's association to carry out the Saemaul programmes and women's activities in rural life have increased remarkably. To raise the association's fund housewives put a rice saving jar in the kitchen and a spoonful of rice was deposited at each meal. Once every month the rice in the jar was collected. The raised funds were then utilized for various programmes, such as group cooking facilities, the operation of a co-operative consumers' store, a children's playground, etc.

#### *Replacement of rice-straw thatched roofs*

In 1971, over 80 per cent of the 2.5 million farmhouses had rice-straw thatched roofs. By 1978, almost 100 per cent of the roofs were of cement-made tiles or materials other than rice-straw. Because of the roof changes the physical appearance of rural villages has changed dramatically.

Due to the soft quality of rice straw, roofs have to be replaced annually in the winter season, and it takes a large amount of labour input. As the cement-made tiles and slates become increasingly available, farmers have come to recognize that the annual replacement of rice straw for roofing is uneconomical.

The development of village access roads and in-village roads reduced the transportation cost of roof materials which have to be brought in from urban or other areas. It became possible to buy a truck load of ready made tiles or to bring in cement and sand to the village by trucks from far distances. In many cases cement tiles were made co-operatively at the village by using tile-making moulds, while roof changes were done co-operatively by villagers. They have learned the effectiveness of co-operation through such activities.

#### *Running water supply*

Traditionally most farm households depended on wells for drinking water. It was often insanitary and time consuming for housewives to bring water from wells located far away. Hence, the facilitation of a running water supply was an important Saemaul project.

Wherever possible, a small reservoir was constructed and drinking water supplied by pipe-line to individual households. By 1977 about one-third of the 35,000 villages had acquired such facilities. In those villages where the topography is not suitable for the construction of a reservoir, deep wells were dug and drinking water supplied through pipe-line to individual kitchens by a pump. This system is being adopted widely in rural areas due to the availability of electric power.

#### *Rural electrification*

In 1971 only about one-fourth of the 2.5 million farm households enjoyed electric light; the rest used traditional kerosene lamps. By 1978 rural electrification rose to 99 per cent. The cost of rural electrification is

paid for by farmers in cash and long term loans and partly by government subsidy.

The rapid increase in the availability of electric power at a farm level has induced a new demand for various electric goods for farm households, such as radio, television, electric irons, cooking facilities, refrigerators, etc. In order to purchase the newly available consumer goods farmers have to earn more income by increasing productivity in farming and/or by working on non-farm jobs. Also, farmers tend to put small amounts of cash on hand in savings accounts in the agricultural credit institute to accumulate enough money to buy electric goods.

### *High yielding varieties*

The national average rice yield has increased drastically in recent years; it has increased from 3.3 tons to 4.8 tons in polished rice per hectare in the period 1970 to 1977. The number of farmers producing over 7 tons of polished rice per hectare has increased rapidly. The nationwide dissemination of newly developed high yielding varieties was the most important factor for increasing farm income and for achieving self-sufficiency in rice. In the period 1969 to 1972 Korea had imported 0.7 million tons of rice per year on average. No rice has been imported after 1976 and the excess supply of rice is being held increasingly by the government.

From the group activities for improving living environments farmers have learned "how to work co-operatively", and the experiences were used in production activities. It is very common for 10 to 30 farmers to make a team to work jointly in rice production. A young knowledgeable person is elected as the team leader, and following the team leader's guidance the rice seedbed is made in one location for all members instead of individual seedbeds scattered in many localities and the selection of variety and application of inputs for growing healthy seedlings are carried out jointly. The transplanting, application of fertilizers and insecticides, weeding, irrigation, harvesting work, etc., are done jointly. Thus, the joint work system has enhanced the adoption of newly available technologies for the entire village within a short time period.

### *Farm income and rural saving*

Farm income has increased rapidly in the period 1970 to 1978, and after 1974 the average farm income reached the same level as that of urban wages and salaries. The national averages of farm incomes for the last nine years are shown in Table 1. Average farm income increased from \$1,025 in 1971 to \$3,681 in 1978.

Up until the 1970s very few farmers in Korea had saving accounts in credit institutes. In the period 1971 to 1978 the number of farmers with savings accounts in the primary agricultural co-operative, which is the credit institute for farmers, has increased rapidly, and the deposit per member farmer has increased from 4,300 Won (\$12) in 1971 to 245,300 Won (\$507) in 1978.

As farmers' savings through the agricultural credit institute has

TABLE 1 *National average of farm income, 1970-78*

Year	Annual income per farm <sup>1</sup>	In US dollars
	(1,000 Won)	
1970	256	828
1971	356	1,025
1972	429	1,075
1973	481	1,209
1974	674	1,393
1975	873	1,804
1976	1,156	2,389
1977	1,433	2,961
1978	1,782	3,681

<sup>1</sup> average of 1,300 record keeping farms

increased rapidly, it has become the major source of funds for farm credit. In the middle of the 1960s about 70 per cent of the funds for agricultural sector credit was provided by public funds, namely the government budgetary fund and by borrowing from the central bank. Toward the latter part of the 1970s the proportion of public funds in the farm credit supply was reduced to about 20 per cent. This indicates that farmers are generating the greater part of the farm credit funds.

#### *Village hall and social functions*

In carrying out Saemaul programmes villagers had to find a place to hold meetings, especially during the winter season. They started to build village halls from the second year of the Movement. Currently, most of the 35,000 villages have a village hall where village affairs and production technologies are discussed and various ceremonies are performed.

It is very common for a group cooking facility to be attached to the village hall. In order to save the time of housewives for cooking individually in the peak session, meals are prepared for all the families in the village hall using the group cooking facilities and the cost is shared later. Also, a store selling consumer goods is operated by the women's association to save the time and expense of frequent individual shopping trips to the local market.

In most village halls we can find charts showing basic statistics of the village life. We can even find the average farm income data of the villagers. The yields of major crops are reported in terms of kilograms. In many cases we can see the future development plans of the village.

### 3 LEARNING BY DOING

At the initial stage of the Saemaul Movement most action programmes were focused mainly on improving the living environment of rural vil-

lages. One reason was that the improvement of the living environment was desperately needed. Another reason was that it was much easier to induce a full participation of all villagers for programmes intended to improve the physical conditions of village life than for some other programmes.

By improving the living environment by their own decisions and co-operative efforts, farmers have learned what the self-help spirit is. In accomplishing a series of Saemaul projects farmers have learned that the fatalistic attitude to traditional peasant life can be broken by the Saemaul spirit of hard work, self-help, and co-operation.

From the experience of putting aside a spoonful of rice at each meal preparation, farmers have learned that poverty can be overcome by penny saving. By participating in numerous meetings for village programmes, farmers have learned the democratic process of decision-making. They have learned the importance of good leadership and also the difficulties of finding a good leader. Above all, they have learned the critical role of women in carrying out self-help programmes.

The development of grassroots democracy at village level has affected the attitudes and decision-making process of local administrators. In the course of the Saemaul Movement, farmers' complaints against the local administration have been reduced significantly and a feeling of mutual understanding between local officials and farmers has been improved remarkably. Also, the development of grassroots democracy at village level has affected the political parties and those politicians who had obtained votes from farmers by offering unfeasible promises in the past.

As Saemaul projects were accomplished one by one, the sense of frustration among villagers was reduced and pride and a sense of dedication among the tillers of the soil have increased. Farmers put in more and better inputs to increase soil fertility for more and better crops and livestock. Love of the soil has led the tillers of centuries old land to love their own community and nation as well.

#### 4 TRAINING OF VILLAGE LEADERS

For the successful accomplishment of the Saemaul programmes, three factors were important: well qualified village leaders, the active participation of villagers, and appropriate guidance and a minimum amount of material assistance from the local government.

At about the same time as the cement distribution in 1971, the training of village leaders was undertaken in various institutes. The Saemaul Leaders Training Institute in Suwon is the one most well-known for its uniqueness in curriculum and its effectiveness. The following description highlights the more important aspects of the training programmes offered at this Institute.

In January 1972, 150 male village leaders (one from each county district) were enrolled for the first time at the Institute as trainees. It was a



two week training programme and the local administration office recommended the leaders who should attend. At an early stage of training, male village leaders emphasized the need for similar training programmes for women leaders. Thus, in each term, around 150 male leaders and 70 women leaders were trained during the last seven years.

The trainees arrive at the Institute in the afternoon of Sunday for each term. After registration a set of uniform, cap and shoes are provided. The trainees are divided into subgroups and a team of 10–15 persons stay in one room. Each team elects a leader who takes care of the team members. The blankets, bedclothes, pillows, shoes, slippers, desks, chairs, etc., must be kept neatly. This is considered an important part of the training.

At six o'clock in the morning all the trainees come out to the ground to line up for physical exercise, which includes jogging two kilometres.

The training curriculum mainly consists of the presentation of successful farmers' case stories. About fifteen case stories are presented during each training term, and they have played an important role for the success of the Saemaul Movement in Korea. No text books are used in the training programme. The afternoon sessions are used mainly for sports, field trips, and video programmes. The evening is devoted to panel discussions. On the Monday evening the team members of each room select a chairman and a reporter for panel discussions. They select one topic and panel discussions continue on the topic throughout the training period. The reporter takes notes to make a summary chart to present to all trainees in the final evening. The contents of the presented charts are printed in book form and trainees take it as the most important reference to use for villagers after they return home.

For women trainees, the programme lasts one week instead of two. For a housewife to leave her home for a week to have training is not an easy decision and training programmes were an entirely new experience for housewives.

A common request of village leaders was that local officials, such as the district administration chief, the manager of agricultural co-operatives, and the district police chief should take the same training. This request was accepted in the Institute and most of the local officials were trained with village leaders under the same curriculum.

Then the local officials had a common view that high ranking officials in the central government should also have the same training. This request was also accepted by the Institute, and almost all the high ranking officials including cabinet ministers entered the Institute for one week training programmes. Their dominant reaction was that it was a most valuable experience for them to share the same training programme and live together with the remarkable village leaders for a week. Soon it was extended to university professors, businessmen, journalists, leaders of religious groups, judges, congressmen, television producers, comedians and so on. The officials and members of the social élite were deeply moved by listening to the various case stories of successful farmers.

The training programme of the Institute in Suwon has had many

impacts; it has contributed greatly to an effective implementation of the integrated rural development programmes; it has also helped to extend the Movement from the rural to the non-farm sectors to create a better work ethic among the Korean people; it has finally contributed towards making the government clean.

## 5 CONCLUSION

1 In the early stage of the Saemaul Movement the local administration played a crucial role in inducing villagers to improve the living environments of their respective village districts. As the living environment improved significantly, however, the roles of local administration are being replaced by agricultural co-operatives at primary level to provide better services to villagers in credit and marketing.

2 The factors which are not mentioned explicitly in the paper but which have performed crucial roles for the successful accomplishments of the New Village Movement in Korea can be listed as follows:

The land redistribution programmes carried out in the period 1950 to 1955 have contributed to retaining a relatively homogeneous rural Korea.

The political leader's determination to enhance agricultural development and his well awareness of rural life should not be discounted.

Rapid growth of the industrial sector of the Korean economy in the 1960s has stimulated farmers to move for self-help programmes.

A national consensus was attained among officials, intellectuals, mass communicators, city people, etc., to help the faster progress of rural people.

## DISCUSSION OPENING – ARDRON B. LEWIS

What Dr Park is saying in his paper is that Korean farmers are first of all human beings. They may be aware of improved methods of farming, but they may not choose these methods unless they see a reason to use them. Many farmers are living close together in the villages, but they may not co-operate with one another for their common good unless they feel good about one another and take pride in their home village. The farmers may not exert themselves very much if they lack courage. They will try to help themselves and help one another if they do not feel helpless against the large natural and market forces which are always arrayed against them, and if they do not feel bound and held down by their poverty.

It has been the objective of the Saemaul Movement (New Village Movement), which is described by Dr Park in his paper, to provide villagers with courage and confidence in themselves and in one another, and to develop among themselves a spirit of self-reliance and of co-operation for the common good.

Dr Park has described how this movement began in a very concrete way – no pun intended! – in 1971 with a distribution of cement to the villages, and how this was followed up the next year with a distribution of still more cement, plus some steel, to those villages which had done the best with the previous year's free cement.

At this point I became curious to know more about how the villagers had used the cement which they received and the form in which the steel was distributed and how the villagers made use of that.

At any rate, as Dr Park makes clear, the Saemaul Movement has expanded in many different directions since 1972, until by now almost all the 35,000 farming villages in Korea have accomplished enough to be considered “self-standing”, that is, self-reliant villages. Village roads have been improved, even the roads within the closely settled village itself. Villagers have developed skills in making decisions on these and other matters co-operatively and, contrary to previous custom in Korea, the women as well as the men have taken part in making these decisions. Farmers and housewives as well have formed the habit of working co-operatively wherever an advantage is to be gained by this. Improvement of the village itself, as well as of the life going on within it, has been diverse and quite remarkable, as Dr Park reports.

What will concern and interest most of us the most, I suspect, will be the degree to which the method used in the Saemaul Movement in Korea can be adapted to and made use of in other countries, and I suggest that it would be profitable for us to discuss Dr Park's excellent paper with him and among ourselves at least in part from that viewpoint.

Dr Park has said that three factors have been most important for the success of the programme in Korea. These were well qualified village leaders; active participation of the villagers; and appropriate guidance and a little material help from local government. Leaders have not only been selected but they have also been given training in programmes especially developed for the purpose. Finally, not only the village leaders, but also officials much higher up in the government hierarchy, as well as public figures with an interest in village improvement, have undergone the same training.

As you read Dr Park's paper, some of you may have felt that the methods used in the Saemaul Movement in Korea would be difficult to apply in the farming villages of your own nation. I think it is important to realize that in Korea the social relationships between people are largely Confucian in origin and this leads to a respect for authority and a disposition to accept leadership and a certain orderliness in dealing with common affairs. It also means that persons who are chosen for positions of leadership will take their responsibilities very seriously and their neighbours will expect this of them. Nevertheless, even if some changes have to be made in the methods if the objectives of the Saemaul Programme are to be reached in another country, there is surely much food for thought here for us all. Because farmers are human beings everywhere no doubt they will respond in very positive and very economic ways to a strengthen-

ing of their working morale and what Dr Park has called their work ethic.

As an agricultural economist Dr Park has had much to do with the conception and the management of the Saemaul Movement, and he would have some valuable comments to add, I feel sure, on how agricultural economists have contributed and can contribute to the success of such a programme.

GENERAL DISCUSSION –RAPPORTEUR: ROGER G. MAULDON

Two points were raised in the general discussion. Dr Park's paper represented an interesting case study as part of the growing literature on the creation of physical infrastructure in the rural communities of developing countries. However, the role of the agricultural economist, as such, had not been made clear. Another speaker agreed with Dr Park's approach, claiming that high powered models were not needed to get development going in rural communities but that such communities needed guidance in order to recognize their own problems. He wondered if any factors, such as population pressure, threatened the success of the Saemaul movement.

In reply, Dr Park stated that in his experience field priorities lay in leadership training and that agricultural economists had to operate on a broad basis. Regarding the effect of population pressure, he felt that this encouraged rather than threatened the movement. Ten years ago the opportunity cost of village labour in Korea was low, but today the buoyant demand for labour outside the village made it less easy to encourage labour into voluntary community development work.

Participants in the discussion included Deryke G.R. Belshaw and Edward Karpoff.