

SAEMAUL UNDONG:  
THE 'MODERNIZATION' OF RURAL POVERTY  
IN SOUTH-KOREA

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"From the persistent effort for a spoonful of rice saving in each meal's cooking, our farmers have learnt that poverty can be solved by penny saving!"<sup>1</sup>

"Although we may not be able to see the fruits in our own generation, we know that they are bound to blossom in later generations, and this is why we sweat willingly today!"<sup>2</sup>

I. INTRODUCTION

Saemaul Undong, the "New Village Movement", has become the development philosophy of the South-Korean government. Since several years the Park Chung-Hee Regime has a new 'miracle' to offer to interested governments. Hot on the heels of the highly praised "economic miracle at the Han-river" follows the South-Korean model for the so far neglected agricultural sector: Saemaul Undong. Allegedly, the New Village Movement was "invented" in early 1971 by President Park and it has been turned meanwhile into a kind of 'national religion'. Actually, the Saemaul-Undong-ideas expand to the cities and the factories, too<sup>3</sup>. The Saemaul-Hymn: "Dawn bells toll, new dawn breaks . . ." has been composed by the President himself and the precious words are also written by him. According to his accompanying message, the people are admonished to sing it "vigorously and cheerfully"<sup>4</sup>.

From all over Southeast Asia delegations of development experts arrive in great numbers in Seoul<sup>5</sup>. They come to see with their own eyes how successful the New Village Movement has been so far and they are most eager to find out to what extent the Saemaul-Model can be used for the chronically underdeveloped rural sector of their home countries.

Naturally, the visiting groups are privileged guests of the South-Korean government. On official guided tours and packed in air-conditioned busses, they visit a few selected Saemaul villages where eloquent Saemaul leaders present the success-story of Saemaul Undong and treat their guests with strong Ginseng wine to get everybody into an euphoric mood<sup>6</sup>.

Thus, in it's 8th year since it's foundation, the Saemaul Movement has finally become a kind of "export commodity". But in order to estimate the use-value of this new export article from South-Korea, a critical appraisal of it's goal-achievement and a glimpse behind the scenery of the New Village Movement seem to be indispensable.

According to Prof. Kim Dong-Hi, the Vice-President of the Korean Rural Economics Institute who is also a well-known authority on Saemaul matters "the Korean model of rural development ... is getting world-wide attention nowadays. Many foreign experts are showing their interests on the possibility of transferring the Korean model to other countries. Some countries already have started their social experiments (sic) and some others, in particular South-East Asian countries, are seeking possibilities. The impressive success stories of Rural Saemaul Undong ... attract many foreign interests in the possibility of the internationalisation of RSU of Korea ... . Nevertheless, the exploration of the transferability will remain as an interesting subject for sometimes to come"<sup>7</sup>.

Though the transferability of Saemaul Undong would depend also very much on the possibility of "exporting" a tightly - controlled social system and on implementing such a high degree of political repression as it exists in contemporary South-Korea, it is not even clear if the New Village Movement inspite of an intensive government propaganda has had any tangible results as far as the amelioration of living conditions of the rural masses in South-Korea is concerned. On the contrary, it could be argued that Saemaul Undong has only 'modernized' and 'beautified' rural poverty but has by no means eliminated it successfully. If this claim is true - then the 'export' of Saemaul Undong to countries like Thailand, for instance, would rather aggravate the problems of the agrarian sector and hence be a danger to the peasants who would be victimized by such "social experiments", further impoverished, and squeezed by zealous development planners in addition to corrupt officials and capitalist landowners.

It is therefore the purpose of this study to research deeper into the mechanisms and the goal-achievement of the New Village Movement. Further, it is intended to present a critical analysis of the objective performance of Saemaul, its tangible results, political implications and its

future aspects. The main question of this paper will be: how did the South-Korean government attempt to solve the obvious dilemma of the rural population, and have these strategies for an accelerated rural development been as successful as the planners want us to believe?

Finally, the program of Saemaul Undong will be compared with the program of the "Catholic Peasants' Organizations" which may contain a potential alternative to State policy and to rigorous "top-bottom" implementation of change. In conclusion the basic dilemma of an under-developed rural sector within the framework of a foreign-controlled and export-oriented economy with its underlying contradictions will be assessed and analysed in order to test the "viability" of such a development model. As a result of our study, we expect an answer to our initial question, i. e. if Saemaul Undong can be recommended for "export", or, by contrast, if it has failed to solve the basic problems in its country of origin already and hence, should be replaced by a more appropriate alternative?

While doing research inside and outside South-Korea on Saemaul Undong, we were confronted with one major obstacle: there are no reliable national data available! At first glance, this fact seems to be quite contradictory to the obvious eagerness of government officials to propagate Saemaul as a model for other countries. Of course, there are dozens of glossy government brochures with beautiful photos but these serve primarily for public-relation purposes and contain unfortunately little useful material. Also we noticed that the majority of officially released statistics were of a very high 'political quality' but hardly useful for a socio-economic scientific analysis. Figures are more than often distorted to give them the appearance of plausibility, a fact, which has been deplored again and again by most social scientists working on South-Korea<sup>8</sup>.

For instance, the basis for calculating employment is very dubious. Anyone who works at least one hour per week is already defined ex cathedra as employed. In reality, those who work less than 10 hours per week already outnumber the official figure for those who are unemployed but still they are not able to live on their small salary. Thus, the actual unemployment rate is significantly higher than the government admits though this might have changed in recent years due to the increasing "export" of skilled workers to overseas countries.

Another very questionable point is the official inflation index which is also of high political content because it is closely related to the subsistence level of wages. According to officially released statistics the price of basic consumer items and of rent for housing has more than trebled between 1973 and 1977. However, due to constant manipulation, the relevant statistics account for only about 100 % increase, a claim

which will be rejected angrily by all South-Korean housewives<sup>9</sup>. Although we had to satisfy ourselves mainly with using official data, we have whenever possible attempted to compare these with other sources and to read them critically. The same holds even more true for official statements and the vast array of local academic papers on Saemaul Undong which often are most contradictory and thus reveal more than originally intended by their authors<sup>10</sup>.

Finally, other major obstacles to genuine research are the two ill-famed laws a) "On Crime of Slander Against the State" (March 25, 1974) and "Special Law for the Punishment of Activities Against the State" (December 17, 1977). The "Crime of Slander Law" which is an amendment to the Criminal Law, Article 104, Section 2, states explicitly:

1. All Koreans who commit the following crimes outside of the country will be liable to sentences of up to seven years of imprisonment: slandering any national body which has been established by the constitution or spreading rumours or distorting facts about any such body; also all other activities which may harm the welfare and the interest or defame the Republic of Korea.
2. All Koreans who commit the crime described in (1) inside the country in association with foreigners or foreign organization will be liable to the same penalty.
3. Also pertaining to (2), up to ten years' suspension of civil rights may also be applicable."

As the Saemaul Movement is one of the 'national bodies' as described in the law above, people who articulate criticism to foreigners will duly be punished and their civil rights will be suspended. Consequently, it needs not to be emphasized that such kind of "legal" political repression did hardly encourage many Koreans to convey to us some critical remarks on the New Village Movement or on the ambiguous rural policy of the government. It came as a surprise to us whenever we met people who were brave enough to speak out and declare their deep dissatisfaction with the Park-régime. However, travelling through the country for several months and living in many Saemaul villages, speaking with many peasants, helping during harvest time and eating their meagre food, gave us enough "insights" to compile this paper. Later we have compared and correlated our findings with some material which was printed outside South-Korea and contained more reliable data as we were able to find inside the country, a fact, which once more reflects the depressed "research climate" still prevailing in the country.

## II. THE GOALS OF SAEMAUL UNDONG

The Saemaul Undong-policy is admittedly (and as many Korean writers have pointed out) a very complex matter because it attempts to combine in a functional way a "Green Revolution" type of Agrarian reform with nation-building, the implementation of political control at the grass-roots, the re-vitalization of anti-communism and the dissemination of "true patriotism". These ambitious goals are enlarged by various campaigns for the speedy introduction of rural innovations, containment of rural-urban migration, bridging the gap between rural and urban incomes and for the improvement of rural environment in general. Moreover, Saemaul Undong is a kind of philosophy with a deep ideological bias and designed to serve as a "national religion for progress". In its essence, the Saemaul Movement attempts to incorporate the basic functions of a capitalist State, i. e. repression, integration and services ('modernization'). Considering, however, the underlying contradictions between this type of 'modernization - policy' and the concrete situation of the majority of the South-Korean peasants, the attempts of the New Village Movement to solve the basic problems of the people come close to attempts of "squaring a circle" and thus, severe repercussions could be expected from the beginning of the campaign onwards.

According to Park Jin-Hwan, the Special Assistant to the President of the Republic of Korea for Economic Affairs, the Saemaul Movement "is loosely understood as a movement for a 'better living'. The movement was intended to build up the 'work ethic' of farmers, such as self-help spirit, hard working, honesty, saving and cooperation"<sup>11</sup>. And according to another South-Korean expert on Saemaul, Lee Chong-Yeong, the "Saemaul movement started without a well-defined formal theoretical framework". However, it is "becoming a major driving force for rural development, balanced growth between industry and agriculture and promotion of community spirit and national integrity"<sup>12</sup>.

It should, however, not be overlooked that the New Village Movement besides its explicit goals which form part of an international "community development" strategy and can be found in a similar version in many other development plans, there are also a number of implicit goals though hidden by the rhetorics of "social engineering" and nation-building propaganda. Thus, the campaigns for rural cooperation do not aim only at the mobilization of rural labour but together with the "beautification"-program intend to enforce social and political compliance patterns among the people. The spreading of "true patriotism" means in fact political indoctrination because it is the Park-regime which decides exclusively the ideological content of these campaigns. Moreover, Saemaul Undong as a movement is very closely linked to the Yushin- ("Revitalizing")-Constitution of October 1972, which according to a

moderate politician like the US-senator George McGovern is "not a constitution at all, but a charter for a police state" (September 15, 1976). Hence, Saemaul Undong has become the "long arm" of the central government in South-Korea and has turned in the hands of over-zealous state-bureaucrats and planners from its initial simplistic philosophy of rural development into a well-designed mechanism of political control and extraction of unpaid labour from the rural masses.

Furthermore, it is important to point out that the various campaigns which were launched by the government of Park Chung-Hee were multi-purpose campaigns which attempted to combine nation-wide control measures with integrative symbols and impressive public works in order to spread and to reproduce the ideology of formation of a "New Society" which was supposed to be more equal, prosperous and well beyond antagonistic class-interests. In order to be at least partly successful, this ideological framework had to be linked to the "political culture" of the Korean people and draws heavily on selected elements of confucianism, the projection of a future welfare-state and on the traditional village-spirit<sup>13</sup>.

### III. DESCRIPTION AND ANALYSIS OF SAEMAUL PERFORMANCE

#### 1. "Cementation" of the Country Side

Saemaul's first foundation was in cement. In its initial phase and in order to achieve some rapid and conspicuous results, the Saemaul Movement concentrated firstly on the so-called "beautification of village environment"; though with some quite profitable aspects for those companies which were involved in supplying the necessary materials. Due to the US-military engagement in Indochina, the Republic of South-Korea had temporarily experienced a large cement-boom with windfall profits. Later when the involved companies which also had received considerable loans from government agencies suffered from excess production and soon got into the red figures, the Saemaul Movement came at the right moment to open overnight a vast "domestic market" for excess cement.

Official sources have called this process "Cement for Rural Work Ethic Development!". Thus wrote the Special Assistant to President Park: "In 1971, the Korean economy had an excess supply of cement, and the government made a decision to dispose of the surplus cement by subsidizing to the entire village"<sup>14</sup>. According to the first year's

experience out of 35 000 villages, about 16 000 villages "responded very actively. Hence, for the second year program (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"<sup>15</sup>.

The semi-official report continues: "Taking into account the variation in the degree of participation to the self-help programs among the villages, the 35 000 villages were classified into three categories: basic villages in which participations were in relatively low degree, self-helping villages, and self-standing villages. This was to stimulate the emergence of self-help spirit in the basic villages"<sup>16</sup>. In other words, what had happened in fact was a formal stratification of the rural areas into underdeveloped, developing and developed villages which added - or rather "cemented" - (to) the already existing intra-regional differences and enforced rural disparities through mechanism of pseudo-competition.

The actual process of implementation was, however, quite different. Soon Saemaul leaders coerced the villagers to tear down their old farm-houses which were mostly built at offseason times with inexpensive local material and then organized campaigns to replace them with neat model-settlements. Also, for reasons which were well beyond the peasants' understanding the traditional brownish thatched roofs had to be replaced with red, green and blue eternit tiles. The reason was in fact an over-production of chemical colours which were now forced upon the South-Korean landscape with the intention to give it an additional gloss of "modernization".

## 2. Village Road Improvement Scheme without Compensation

Another important scheme of rural "Saemaulisation" was the investment in village roads. Most of the village roads connected to the public road system were often narrow, and modern vehicles were some times unable to reach remote villages. Based on local "voluntary labour"-campaigns village roads were widened and flowers were planted along the streets, bridges were built and communications were expanded. In addition, between 1971 and 1976 the number of bridges in the countryside doubled from 50 000 to about 100 000.

According to governmental reports "numerous exciting stories can be cited with regard to the road developments". Altogether the "widening and straitening of village in-roads in the traditional old villages was an awfully complex task and most farmers in the village had to sacrifice part of their housing sites and often even part of their houses (sic). The Government has paid no compensation at all for properties so sacrificed. . .

Decisions were made after hot discussions and strenuous persuasions<sup>17</sup>. Thus, the rural people had not only to face the extra burden of financial costs to construct the "New Villages" but lost also part of their productive land on which formerly they had kept chicken and other small farm animals. Also they lost some of the land on which they used to grow vegetables and spices like garlic and chillies for their own cooking. Consequently, the over-all subsistence level was reduced. Village roads became in-roads of capitalist penetration.

### 3. Rural Electrifications

In 1971, only about 20 % of South-Korean farm households had electric light, the rest of them used traditional kerosene lamps. According to official reports, the rural electrification rate increased until 1977 to 96 % allegedly excluding only small islands and very remote village communities. The huge costs of this ambitious rural electrification program were partly paid by the peasants in cash and in long term loans and partly by government subsidies. This was definitely a very important step in the field of rural development but official reports do not hesitate to reveal the underlying intentions, i. e. to connect rural villages with the domestic market for durable consumer goods and thus to explore new outlets for overproduction:

"The rapid increase in the availability of electric power on the farm level has induced a new demand for various electric goods on farm households, such as radio, television, electric iron, cooking facilities, refrigerator 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 off for non-farm jobs"<sup>18</sup>.

### 4. High - Yielding Varieties

Allegedly the most important single factor for increasing farm incomes was the "nationwide dissemination of newly developed high-yielding varieties of rice" in order to reach the government's policy goal of self-sufficiency in foodgrain production. But the high-yielding varieties were not only much more labour-intensive and needed more costly farm in-puts; in some years their introduction proved to be a complete failure and worsened the food situation of the rural people considerably.

For instance, in 1978 and due to the spreading rice-plant fever, some high-yield rice varieties including "Nopung" and "Raegyong" were badly effected and rice production was estimated to decline by 200 000 sok



(one sok is 144 kilograms) according to the Minister of Agriculture<sup>19</sup>.

Further, according to a report in the Korean Times of September 2, 1978, "some 30 000 hectares of Nopung-strain rice fields have been affected by rice blast fever. . . . As it actually happened, the Nopung strain rice which was originally reported to have a variety of merits including strong immunity to various insect pests, good taste and high yield turned out to be totally susceptible to rice blast fever. Embarrassed by the galloping spread of disease damage, the Ministry of Agriculture and the Office of Rural Development have issued orders to municipal authorities and affiliated agencies to make utmost efforts for intensive discouragement of the natural disaster"<sup>20</sup>.

### 5. Village Leaders Training

The South-Korean government claims that for a successful accomplishment of Saemaul programs three factors are important; a) well qualified village leaders, b) active participation of villagers and c) appropriate guidance and a "minimum amount of material assistance by the local government". Thus, a Saemaul Leaders' Training Institute was established 1971 in Suwon. The local administration, i. e. the government, recommends the leaders who participate in the training program. A close look at the program reveals the "spirit" of such cadre-seminars:

"After finishing registration, a set of uniform, cap and shoes are provided. The 150 leaders are divided into 10 sub-groups and a team of 15 persons stays in one room during the training period. After introducing to each other, each team elects its own leader who takes the responsibilities of keeping orderliness and discipline of the team members in the room. The blankets, bedclothes, pillows etc. should be fixed neatly. The shoes, slippers, desks, chairs etc. must be put neatly, too. These are regarded as an important part of the training . . . At 6 o'clock in the morning all the trainees come out to the ground to line up orderly . . . Lining up quietly, keeping the table manners, bussing the dishes by himself, putting the used cup neatly etc. are regarded as a part of the training . . . At 8 o'clock all the trainees gather in an auditorium and sing together Saemaul songs and other joyful but healthy songs . . . No text books are used in the institutes."

"Soon it (i. e. the Saemaul Training Program) was extended to university professors, businessmen, journalists, leaders of religious groups, judges, congressmen, T. V. producers, comedians and so on. The training of government officials and social elites made an important moment for the extension of Saemaul programs into non-farm sectors."<sup>21</sup>

Especially the Saemaul Leaders' Training Centers reflect the importance of the New Village Movement within the wider scope of nation-building and of dissemination of "law and order-ideas among the lower strata of government functionaries". These institutionalised seminars offer also good opportunities for the richer farmers to form close links with the higher ranks of the bureaucracy and constitute "informal circles" to negotiate about special credits, subsidized fertilizers or other important farm-inputs. As in most cases village headmen or middle-farmers attend these meetings, a close alliance between the powerful village "elite" and the local bureaucracy is thus formed which systematically excludes the majority of the poor whose vital interests are not represented at all. On the contrary, the Saemaul leaders represent as farmers a type of 'green revolution' - model of agricultural rationalisation because they hold more land than most of their neighbours and as a politically well-connected group have been able to control rural development patterns according to their own interests by channeling government funds into their wide pockets.

Consequently, this policy adds to the social as well as to the economic stratification of the country side and breeds more unrest and dissatisfaction as it is able to contain.

#### IV. THE TANGIBLE RESULTS OF SAEMAUL UNDONG: GOALS NOT ACHIEVED

The immediate point of departure of the Saemaul Movement was the phenomenon of a huge rural exodus in South-Korea. It seems that in no other country of the Third World the population of the capital city has in comparison to the total population increased as much as in South-Korea. Between the decade of 1967-1976, the rural population declined dramatically from 16.1 million to 12.8 million people (a drop from 54.4 % to 37.7 % of the total population!). Taking further into account the natural population increase, an estimated 6.7 million rural people left their land, many of them migrating to Seoul or to the so-called "Free Industrial Zones"<sup>22</sup>. The most significant pull-factor of this giant rural exodus was the forced integration of the impoverished peasant population into the export-oriented industrialization of the country which had rapidly replaced the previous policy of import-substitution.

Serious push-factors were the low level of rural incomes combined with the expansion of tenancy which drove millions of peasants off their living grounds. According to official data, a farm household earned in

1962 on the average about 71 % of an urban household's wages, but the figure declined in 1970 even to 61 %. Also in 1970, the peasants with less than 1 hectare land, who constitute about 67 % of the total South-Korean rural cultivators, earned only 50 % of the income of urban wage earners<sup>23</sup>. Consequently, it became the development target of Saemaul Undong to bridge the gap between the ever rising average urban and declining rural incomes and thereby to stop the rural exodus which had swelled the slums of the capital city beyond capacity of absorption.

However, the two main goals of Saemaul Undong, that is a) stopping the rural exodus and b) bridging the income gap between rural and urban households, were not successfully tackled. On the contrary, recently released figures show that in 1978 about 800 000 people migrated from the villages to the cities, a number which is well above the yearly average of the previous decade<sup>24</sup>. Other officially released figures show that on a per capita basis, the income of a farming household in 1978 was allegedly about 90 % that of a comparable household of an urban worker. But it should not be overlooked that these data just reflect the high amount of rural-urban migration which has diminished the number of rural households drastically, a process, which resulted in a higher average income per capita in the country side.

Thus, if we come to the conclusion that the main explicit goals of Saemaul Undong were not achieved, but by contrast, that the situation (i. e. of rural-urban migration) had partly gone from bad to worse, we have to research into the reasons for such obvious failures and this brings us back to the performance of the Saemaul Undong campaigns.

In the process of "Saemaulisation", the rural people had to shoulder a heavy load of extra debts. They had to buy cement, colour and other construction materials and had to supply extra labour for various construction programs without having any immediate material gains or thereby improving the productivity of their land. In addition, the rural people lost parts of their fertile soil due to the widening of village roads which reduced their land necessary for basic subsistence but without getting any compensation for it. Hence, the various campaigns changed only the surface of rural South-Korea but did not change the lot of the poor majority.

Moreover, the government's program to improve the environment conditions in the country side concentrated first of all on those villages which were located conspicuously along the big highways. This had the obvious aim to impress foreign visitors and the travelling local upper-class with the fine achievements of Saemaul Undong. However, the main function of this "beautification" campaign was to suggest the impression of a clean and happy country side embellished with many flowers and inhabited by prosperous farmers who live in modern

city-like housing estates. But in fact, these were merely cosmological changes on the surface of the landscape and comparable to those famous "instant villages" which the Russian governor and nobleman Potemkin had once put up in a hurry in Siberia in order to impress his visiting Czarina Catherine II.

Also many peasants who were not able to pay back the debts being forced upon them during the Saemaul campaign, had to sell their new accommodation to local capitalists soon after they had built it and were thus forced to find new housing in the hinterland or had to move to the already overcrowded slum areas of the cities. In addition, due to the improvement of material infrastructure and roads which had been achieved only by hard and unpaid labour of the peasants, farm land became increasingly an object of intense speculation and since the number of 'absentee landowners' has increased by leaps and bounds.

"In the period of 1971-1977, the price of farm land increased very rapidly; over 5 times in many cases. The willingness to sell off lands by farmers was reduced significantly, while the willingness to add more land in farm operations increased" (Special report of the Presidential Adviser)<sup>25</sup>. Already in the middle of 1972, the South-Korean newspaper "Kyunghyang - Shinmun" reported: "According to data collected by this newspapers, it is clear that big capital buys up farm land along the highways such as Suwon, Taejon, Chonju, Iri and Pusan, and small capital tends to buy farm land in the vicinity of small local cities. 65 % of landowners of more than 2 hectare are in effect urban capitalists"<sup>26</sup>.

Parallely, the amount of tenancy also increased rapidly and according to independent studies (Catholic Peasants' Organisation) it has meanwhile reached 35-45 % of rural households which are fully or partly engaged as tenants varying in different provinces and with the fertility of soil<sup>27</sup>. These figures demonstrate that in spite of a far-reaching land reform in 1950 the proportion of tenancy has again climbed to about the same degree as it had prevailed during the time of Japanese colonial rule in Korea.

When we visited by ourselves a number of Saemaul villages in November 1978, we learnt that village headmen who were in many cases also in charge of implementing the various Saemaul campaigns and mostly well-to-do farmers, often owned several farmhouses which they had purchased from those peasants who were not able to pay back their debts in time (the going rate of interest varies from 20-30 % per year.) In some bigger houses next to the traffic roads, rural middle-men and shop-keepers had established their business because the improvement of the road system was of great advantage for trade and commerce purposes.

Those peasants who had stayed behind and still tried to make ends meet on less than 1 ha. of land, showed to us some old photos of their village from the days before "Saemaulisation" came over them. A comparison of these photos with the 'new reality' made clear that formerly self-sufficient village communities which sold their meagre surplus products only on local markets, traditionally built their houses with indigenous materials and home-manufactured most of the necessary things for daily life by themselves, now and suddenly - by a stroke of a pen and for vague reasons of state - had been forcefully driven into the capitalist market economy and "opened up" for the free flow of commodities. Hence, they were thrown into a process which rather accelerated the rural exodus instead of stopping it as it was planned originally by the engineers of Saemaul Undong in the capital city.

In addition, the improvement of village roads and infra-structure was of relatively little immediate advantage to the majority of the poor peasants and only seldom raised the productivity of their soil. Also, the new improvements and the conspicuous 'modernization' of the countryside were mostly achieved by communal coercion and 'voluntary' work; programs which came very close to medieval forms of *corvée*.

Only occasionally the governmental development programs helped to increase the real incomes of the rural population (by ways of additional industrial employment in off-season times), but in all cases they put an additional burden on the already impoverished peasantry. For example, the house-building development program in the year of 1972 was altogether worth the amount of 67 million US-dollars in assets to which the government contributed a meagre 6.8 million as assistance, whereas the peasants had to contribute 60.2 million (i. e. 88 % of the total costs) out of their own pockets<sup>28</sup>.

But the mechanisms of "Saemaulisation" did not only indebt the small farmers further and thus paved the way for absentee landlordism and the development of agrobusiness; the Saemaul Movement added also to the formal stratification of the countryside in different categories of villages (underdeveloped, developing and developed) which was not based on needs for governmental support but on efficient implementation of governmental campaigns and consequently only the rich villages prospered further. Thus, Saemaul Undong strategies were "betting on the strong" and left those which were not considered to be credit-worthy enough in the shadow of 'modernisation', mostly with a new cement roof on their huts but little to eat and no cash at all for independent agrarian investments.

Those peasants who dared to resist the destruction of their traditional subsistence economy and refused to join "self-help" campaigns were constantly harassed by the local authorities as "pro-communists" or as dangerous "oppositional elements". Other peasants who stubbornly

refused to buy modern cement tiles from the government agencies as it had been ordered, had their thatched roofs torn off their farmhouses by force at the instigation of zealous cadres. Meanwhile, the visitor finds the traditional roofs only in areas "which are protected for tourism" or far away from the main roads.

Thus, in evaluating the Saemaul program various political implications and repercussions should not be overlooked. Saemaul-leaders who were prepared for their difficult task at special Saemaul training centers are dispatched to the villages to assure wide-spread indoctrination and political control of the rural people. Gradually, Saemaul Undong has developed into a sophisticated "catch-all"-movement, organized in a strictly hierarchical way and demanding active cooperation and ideological compliance from everybody<sup>29</sup>.

However, some semi-official South-Korean sources reveal also some mild criticism against the "exaggerations" of the Saemaul Movement and against the obviously rising disparities it created within the country side. Firstly, the decisive role of state during Saemaul implementation was analyzed as a delicate issue. "Government exercised its enormous power and energy in planning; implementing, coordinating, supervising and evaluating the progress of Saemaul projects at every stage of its evolution. This is one reason why Rural Saemaul Undong of Korea strategically employed the so-called "top-down approach" rather than the "bottom-up approach"<sup>30</sup>.

Another debatable issue was the slogan "Government should support the successful villages first!" This policy soon aggravated the disparity between successful and unsuccessful villages. Also, a comparable gap opened within the socio-economic strata of the villages: "Although the significant contribution of Rural Saemaul Undong to the improvement of rural social environments and economic conditions is undeniable, some argue that the economic benefits of RSU has not been equally distributed to all villagers. In some cases the large scale high income farmers tend to get comparatively larger economic benefits than the small income farms".

"However, in the process of conducting village Saemaul projects, every farm was required equal participation and equal share of costs in some cases. One example is the village road development project. The improvement of road conditions helped a great deal to extend mobility and accessibility of marketable farm products. However, the small farms did not have much marketable products and were not able to benefit from road development"<sup>31</sup>.

"Due to the lack of a comprehensive and long-term plan, some of the village projects completed became waste (sic) because an introduction of new Saemaul projects required modification of the already completed

projects. For instance, the roof repair projects were introduced at the beginning of Saemaul Undong. However, the later introduction of housing improvement and village spatial rearrangement projects made obsolete (sic) the early projects of roof repair. This trial-and-error consequence of the sequential approach increased the public as well as the villagers financial burden"<sup>32</sup>.

Also, much of the support for rural incomes which had come from government's subsidies benefited - according to a World Bank report - large farmers most! The report estimated that between 1970 and 1978, the so-called rice support program (see below) increased the income of farmers with holdings smaller than 1.25 acres by 3.2 %, while farmers with more than 5 acres benefited by 17.6 %<sup>33</sup>.

Thus, stripped of its rhetoric and cosmetics, Saemaul Undong became the combination of a "green revolution" type of agricultural rationalisation and the concentration of land holdings in the hands of a rising middle-class of landowners with good political connections and the local power (or funds) to channel fertilizers, high-yielding rice-seed, insecticides and irrigation projects into their own rural enterprises.

The convergence of urban and rural income levels which allegedly has been achieved owing to Saemaul Undong (1977 the average farm household income on a per capita basis was, according to officially released figures, 88 % of its urban equivalent)<sup>34</sup> does not take into account the much larger family size of rural households which may have only one or two income earners, but it also reflects simultaneously the huge rural exodus thereby reducing the number of the people living in the country side considerably. Hence, the average figures were rising and suggested a convergence in absolute terms which, however, had the subsistence incomes as a common denominator.

## V. THE DILEMMA OF THE SOUTH-KOREAN PESANTRY

A general understanding of the essential failures of the Saemaul Movement leads to an analysis of the basic dilemma of the South-Korean peasants. Like many other developing countries, Korea has been predominantly an agricultural country and over two thirds of the population were engaged in farming. Especially the Southern part of Korea had become during the Japanese colonial occupation (1910-1945) the veritable "rice-bowl" of the country and its huge surpluses were exported to industrializing Japan. "Agriculture is the basic foundation of the nation" was traditionally a well-accepted motto of Korean development politics<sup>35</sup>.

However, due to external and internal forces the South-Korean agriculture transformed from a previously prospering part of the national economy under Japanese rule to a subsistence agriculture after the II. World War and today it is marked by a sharp 'dualism' between marginal and sub-marginal farmhouseholds (66 % of the total), on the one hand, and profitable farm enterprises, on the other. The most determining factor for the profitability of a farm-venture is the size of land under cultivation. Only 22,7 % of the South-Korean surface are actually used for agriculture.

According to government data, the average size of a farm was in 1971 only 0,92 ha, and has since declined even further<sup>36</sup>. According to the same sources, only 1,6 % of the farms had more land than 3 ha. (the land ceiling of the 1950 land reform!), whereas 65,2 % had less than 1 ha and 29,6 % cultivated even less than 0,5 ha. In regard to the productivity of the land, it is generally assumed that farms with less than 1 ha of land are already considered nowadays as "marginal" because they can hardly supply the livelihood for a rural family of 7-10 persons. However, farms with less than 0,5 ha can only supply about 60 % of the necessary household income and hence have to rely on extra-incomes to make ends meet.

Consequently, and as a result of the miserable rural situation in general terms, the ratio of the rural population in regard to the total population of the country has declined by leaps and bounds from 61,9 % (1955) to 58,6 % (1965) and 37,3 % in 1975 (only rural cultivators not including fishing)<sup>37</sup>. However, even this rural exodus has not been much of a relief for the impoverished country side.

Besides the heavy debts owing to rural 'beautification' and the extra labour burden caused by 'voluntary' self-help campaigns, there were other mechanisms of absorption which contributed enormously to the misery of the South-Korean peasants such as rapidly increasing prices for farm-inputs and the purchase prices of rice fixed by the government in order to keep the wage level of export-oriented industries as low as possible. Combined these various factors affected rural development negatively and thus were the foundation for a process which elsewhere has aptly been called "internal colonialism"<sup>38</sup>.

For instance, the price of farm-inputs increased rapidly. In 1976 the price of fertilizer, for example, mounted by a staggering 79,2 % and the price of farm tools by not less than 60 %. By contrast, the government raised the official purchase price for rice only by 19 %. Therefore it came as no surprise that the desperate farmers immediately demanded a 30-40 % increase of the government's purchase price for rice in order to offset at least part of the thus steeply rising costs of production. But



they were turned down by the authorities and admonished to be more "loyal" in future<sup>39</sup>.

A similar case was the development of fertilizer prices. In order to back up exports, which is the main goal of the South-Korean development planning, fertilizer is sold to foreign countries at a "dumping" price of 55 000 Won per ton. This, however, is less than half the selling price to farmers and still 30 000 - 40 000 Won lower than the government purchase price from the fertilizer producers<sup>40</sup>.

In other words: the farmers are subsidizing the 'costly' exports of fertilizer by paying excessive domestic prices and thus make dumping prices on overseas markets possible in the first place. Therefore, the more fertilizer is exported on unfavourable conditions, the more the domestic economy suffers, a mechanism, which is aptly called "export-bleeding".

The most important problem of South-Korea's rural economy, however, is the artificially low purchase price for rice produced in the country though according to other sources, it is still 2,5 times higher than the world market price<sup>41</sup>. The South-Korean government imports surplus wheat from the United States and surplus rice from Japan (!) which is sold at 'dumping' prices to the South-Korean government agencies. The reason behind this policy is to have a constant oversupply of foodgrains on the local market which is meant to keep domestic producer prices as low as possible.

For instance, the official purchase price for 80 kg bags of rice was in 1976 only 23 200 Won but the independent Korean Catholic Farmers' Association calculated the cost of production at least to about 27 154 Won<sup>42</sup>. As the result of this permanent "self-exploitation" (by selling their own labour far below 'market-value', i. e. the wages they have to pay to hired labour during harvest times), many farmers hence sold their land and started looking for work as wage labourers with their better-off neighbours (which had more land or more productive soils) though this kind of employment lasted only for harvesting and planting seasons. For the rest of the year, they are forced to accept just any lowly-paid employment in the expanding industrial sector or in so-called 'cottage-industries' which are a kind of "sweat shops" situated in the countryside and were baptized "Saemaul factories"<sup>43</sup>.

Owing to growing pressure from rural cultivators and unrest in the country side, the Park government has always been quick to defend its low purchase price policy for rice and foodgrains as a necessary precondition for any successful export-oriented industrialization. Only if the prices for basic food-stuffs were kept low enough, it was argued by government planners from the KDI (Korean Development Institute),

wages levels in industry could be kept low, too, and thus competitiveness could be assured for industrial production<sup>44</sup>.

As a matter of fact, the extremely low industrial wages being paid in South-Korea have since 1971 attracted a considerable number of foreign investors. For their benefit and in order to control the labour movement the government has set up a chain of "Free Industrial Zones" which became a "paradise" for overseas entrepreneurs<sup>45</sup>. In particular, medium-sized Japanese firms were 'infesting' South-Korea thus attempting to escape from rising labour-costs in their own country and from the powerful competition of dominant "zaibatsu"<sup>46</sup>.

Consequently, a drastic increase of the costs of food would make wage increases unavoidable in order to assure the reproduction of the labour force and thereby influence the prices of export commodities. Thus, this kind of "system" has so far permitted comparatively cheap exports at the costs of a declining standard of living in the rural and urban areas where workers and peasants lived. Obviously, the low price of rice paid to the farmers did not necessarily favour the urban poor either. Rather, this "vicious circle" which has resulted from such loop-sided development strategies based on structural contradictions, a crippling dependency of the world-markets tribulations and of constant surplus absorption from the already underdeveloped rural sector of the economy, is nowadays fully perceived by the Korean people. Peasants told us: "We, the old people in the country side have to deliver our rice to the cities well below our costs of production. But in the cities, our daughters and sons receive incomes often below the subsistence minimum though they live on food which we were forced to sell cheaply. What a contradiction!"

Finally, another effect of "Saemaulisation" which was detrimental to rural productivity is that the rural-urban migration waves comprise mostly the young and enterprising people, who hope to find their luck in the cities. The old folks which they leave behind, can hardly cope with strenuous agricultural labour and have in many cases to rely on hired workers. Besides the high prices for farm-inputs this fact accounts also for the reluctant response to agricultural innovations which could help to increase small farm productivity.

Moreover, it was estimated in 1979 "that on a man-day basis, there will be a shortage of about 11 % in the farming manpower needed to plant rice and to cut barley on the peak of the season. To overcome this, students, soldiers and civil servants are to be mobilised in a help-the-farmer movement sponsored by the government"<sup>47</sup>. In addition, we have noticed in South-Korean villages that farmers were often unable to eat their own product (rice) but had to sell it and bought the cheaper barley for their own consumption in order to survive rising costs of living caused by endemic inflation.

Thus, if one attempts as a conclusion to assess the bright and the dark sides of Saemaul Undong and tries to balance them cautiously against each other, there is little of the Movement left which can be fully recommended to other Asian countries for imitation. Also, it can be said safely that on the background of the "rural dilemma" the key-problems of the South-Korean agriculture have not been solved by Saemaul Undong yet and there remains not much hope that this trend of growing stratification will change within the given framework the Park government has established.

On the contrary, several indicators show that tenancy and rural usury capital which previously were nearly abolished, have gradually revived and are now aggravated by the extension of 'absentee landlordism' and the concentration of the most productive farm lands in the hands of relatively few rural entrepreneurs. Agrarian productivity has only improved in those areas where agrobusiness was able to find a foothold and where rural capitalists successfully channeled 'soft loans' and government-subsidized fertilizers into their prospering rural enterprises, a process, which had as a precondition the existence of good political connections (see: Saemaul leaders training camps!) and has often resulted in a considerable degree of semi official corruption and embezzlement of developing funds. This side of Saemaul Undong is conveniently hidden behind same statements which admit: "Generally speaking, due to the high risk and low rates of return to agricultural investment (sic), rural development projects has not been successful in attracting the private investment through market mechanisms only"<sup>48</sup>.

But the most important argument against the "Saemaul-Model" is that if the New Village Movement really had been only half as successful as the Park-government wants outsiders to believe, the people would have left the squalor of urban slums and minimum-wage 'sweat shops' (like at the "Peace Market" in Seoul) long ago and would have migrated back to the countryside where they had come from.

#### VI. THE CATHOLIC FARMERS' ASSOCIATION - AN ALTERNATIVE TO RURAL SAEMAUL UNDONG?

Gradually, resistance has arisen in South-Korea's country side against the brutal implementation of state-controlled development planning, but most of the opposition groups remained inconspicuous due to repressive "anti-communist"-laws and tight police controls. However, in recent years a number of poor peasants and tenants started to organize under

the protection of the churches, and one courageous group of them has formed the "Catholic Farmers' Association".

Apart from the effects of "Saemaulisation", the Catholic farmers have complained about the rapidly increasing debts per farm household. This was not only due to the "remodeling" of their houses for which they had to spend money which they did not have; but also owing to the difference between cost price for their rice and the official purchase prices paid by government agencies.

The following chart shows the yearly increase in debt per farm household in South-Korea:

Table I: Farmers' Debts Per Household

Year	Amount of Debt in Won
1970	15,913
1971	10,282
1972	13,914
1973	13,766
1974	26,091
1975	33,434
1976	37,421
1977	81,564

Source: Ministry of Agriculture and Fishery, Survey of Farm Household Economy, ("Nong Ka Kyungje Chosa Pogoso") - Annual Report, 1978 (Current exchange rates: 1 DM = 250 Won; 1 US \$ = 485 Won).

In order to find out the reasons for their growing debts, the Catholic Farmers have formed study groups which recently have worked on two major topics:

- a) Survey Report About the Present Situation of Tenancy - Compared to the Situation under Japanese Colonial Rule<sup>49</sup>
- b) Report: Annual Study About the Production Cost of Rice<sup>50</sup>

Both studies which were conducted by the peasants themselves with the help and supervision of some committed agricultural experts proved to be very useful as a method of "self-conscientization" of the peasants. They learned for the first time in their life to calculate their own cost price of agricultural products and analysed how the surplus-value of

their production was extracted from the villages as well as the amount of "self-exploitation" (i. e. the submarginal returns for their own labour). Also, accountancy, book-keeping and basic mathematics were thus introduced and helped the rural people to understand the basic reasons for their misery and impoverishment much better.

For instance, the aims of the study on production costs of rice are stated as follows: "57 % of the acreage under cultivation in South-Korea is planted with rice and 57 % (1975) of the agricultural gross income comes from the cultivation of rice. Considering the importance of this crop for the economy of the individual farmer as well as the national economy, we felt the necessity for such a study, through which we wanted:

- 1) find a just price, which improves the economic situation of the rice farmers and stimulates increasing production,
- 2) indicate ways for a reform and modernization of farming techniques and farm management,
- 3) raise the awareness of the farmers by making them calculate and reflect about the relations between input and output and especially about their labour"<sup>51</sup>.

In order to counter later claims by the government that the farmers' survey would be "unscientific" (as it in fact happened!), survey items, standards and method of calculation are based on the "Explanation of the Survey about the Cost of Agricultural Products" by the Ministry of Agriculture and Fisheries (1974)<sup>52</sup>. The many "surveyors" were members of the Korean Catholic Farmers' Movement and other interested farmers who were admonished to make "faithfully" all necessary recordings, and with regard to the area and varieties of rice in a cross-national sample<sup>53</sup>.

The results of the survey illustrate that the situation was even worse than actually expected:

Table II: Production Cost and Annual Loss to Farmers<sup>+</sup>  
(per 80 kg Unit of Rice)

Year	1975	1976	1977	1978
Production cost of rice	I <sup>+</sup> 23,292	I <sup>+</sup> 30,267	35,029	
national average in Won	II <sup>+</sup> 20,220	II <sup>+</sup> 27,154	32,483	45,000
Government purchase price in Won	L II. 19,500	II. 23,200	II. 26,000	II. 30,000
Amount of loss to farmers in Won	L 3,792 II. 720	I. 7,067 II. 3,954	I. 9,029 II. 6,483	15,000

<sup>+</sup>Source: Compiled from Yearly Studies about Production Costs of Rice by the Korean Catholic Farmers' Movement and newspapers reports.

I<sup>+</sup> is the figure for standard varieties,

II<sup>+</sup> for high-yielding "Tongil" rice.

As the figures given in Table I and Table II show, South-Korean farmers are exploited in many ways: at the height of the Saemaul Movement in 1976 the average farm household was already indebted in the amount of 37,421 W.; after one year, in 1977, the debts of the same farm household had increased to 81,564 W (an 118 % increase). Also in the same year of 1977, the amount of loss on production of 80 kg of rice (Tongil variety) nearly doubled from 3,954 W. to 6,483 W.!

Thus, the Saemaul Movement became the South-Korean government's remedy to contain the disastrous economic, social and political consequences of rural underdevelopment in close connection with the establishment of government-controlled agricultural cooperatives. But since 1962, the agricultural co-ops are centralized and have been turned into an instrument of control over the rural sector; very similar to the functional change of independent labour unions into "watchdogs" of the Park-regime. The operation of the rural cooperatives is extremely undemocratic and completely dominated by high-handed bureaucrats.

For instance, the agricultural co-ops are supposed to help the farmers in case investments (in order to increase farm-productivity) are needed. However, a large part of the rural saving funds go into non-agricultural

industries rather than into productive farming activities. Thus, in 1977 the amount of 125 000 million Won out of the savings of farmers was used by other industries and government agencies<sup>54</sup>.

The main purpose of agricultural cooperatives is to serve as a governmental network of sales and distribution of fertilizer, pesticides, machines and cement which happens in an arbitrary and exploitative way and without any regard to the real needs of the farmers. Moreover, as it has been proved in many cases, the cooperatives are highly profitable organisations, selling for instance cement at double of the buying price to farmers who are in addition forced to buy farm-inputs and construction materials from them within the scope of Saemaul campaigns. Thus, the network of cooperative Saemaul banks became an institutionalized instrument of surplus extraction (indirect taxation!) from the rural people under close supervision of the government and added to the difficulties of the farmers instead of redressing them. Also, it adds to extend corrupt practices and forms a close link between the landed "elites" and urban officials under the holy green banner of rural development.

In strong contrast to the elaborate propaganda of Saemaul Undong and the state-controlled co-operative movement, the program of the Korean Catholic Farmers' Movement is clear and simple. All their members ask for is:

- a) "enough land to feed our families" and therefore they demand that the old laws of 1950 should be enforced again which had already abolished tenancy and usury.
- b) they demand a "fair price" for agricultural products and have accused the government purchase price system as unfair and detrimental to agricultural productivity in the country.

However, even this program seems to be already too "revolutionary" for the prevailing political situation in South-Korea. Many peasant leaders have been jailed during the last years, tortured permanently or at least been harassed by daily control visits of the Korean CIA (KCIA).

The background paper of the Commission of the Churches on International Affairs (January 1979) which bears the title "Human Rights in the Republic of Korea" gives a vivid picture of the situation in the cities and in the rural areas of the "Land of the Morning Calm":

"Under the fiercely anti-communist régime in South-Korea, with its far-reaching Anti-Communist Law, and where the word "communist" strikes fear into the hearts of the uninformed, to accuse anyone of 'communist activities' or of sympathies has terrible consequences..."<sup>54</sup>.

"In this atmosphere, workers and farmers associated with UIM (Urban Industrial Mission), JOC (Young Catholic Workers), and with the Catholic Farmers' Association are especially vulnerable to being labelled communist"<sup>55</sup>.

A good example of how much the peasants can achieve if they are united in solidarity and do not get intimidated by government brutality easily, is the famous "Sweet-Potato-Incident" which happened in April 24, 1978, in Kwangju:

"From 6 p. m. about 300 young farmers demonstrated. They were among a group of 700 persons attending a meeting about the 1977 Sweet-Potato-Incident (when the government broke its promise to buy and the produce rotted). Although confronted by riot police, they continued until midnight and then held a hunger strike in a Roman Catholic church all night. Two persons were detained. The demonstrations continued until May, 2<sup>nd</sup> for 9 days!). The farmers demanded compensation for last year's loss, independence from the government-controlled agricultural co-operatives, and the release of persons detained during the protest. As a result, three detained members of the Catholic Agricultural Committee were released and the farmers received compensation"<sup>56</sup>.

So far the Park régime was not able to contain the dissatisfaction of the majority of the rural people and since, living conditions have gradually worsened. Thus, under the relatively calm surface of rural South-Korea, oppositional groups are mustering their forces and attempt to form a kind of pragmatic alternative to Saemaul Undong based on the marginalized masses of the rural people and which has its policy closely linked to their basic needs and demands. Once these groups will ally with the urban industrial workers who have similar grievances but are not allowed to strike nor to organize independently from government-controlled labour unions, the Park régime will face a difficult time to stay in power. Thus, the "dilemma of rural South-Korea" has turned into a dilemma of the whole system which so far has proved its inability to solve the major problems of society and redress the lot of the poor masses, especially in the country side.



## VII. CONCLUSIONS AND FUTURE ASPECTS

The American weekly magazine Newsweek wrote on June 6, 1977: "Not since Japan's takeoff in the 60's has an economy moved so far and so fast ... as in South-Korea". It is not my purpose here to attempt a 'demystification' of the South-Korean "economic miracle" which has been done elsewhere<sup>57</sup>, but rather to demonstrate how much a one-sided and strictly export-oriented development policy has contributed to "underdevelop" the country's rural sector thus neglecting completely the needs and aspirations of the majority of the people.

The rapid export-oriented industrialisation policy has accelerated the forces of production in one single and dominantly profitable sector and thus "insulated" growth from the masses. The benefits of this foreign-dependent 'path of development' which was heavily based on external loans and foreign investments were reaped only by those Koreans who worked closely together with international companies (TNC's) and thereby established themselves as a fast rising "new middle-class". But more than 80 % of the working population continued to receive low wages or low returns for their products.

The relative impoverishment of the population is closely linked to the prevailing ratio of 1:3 between the growth rate of wages and of productivity. Hence, disparities widened considerably and increasing growth meant also growing inequality in the sphere of distribution. Moreover, owing to the expansion of industry not only did the rural population decrease rapidly, a process which is in fact natural for an industrializing country, but also the amount of arable land fell during the period from 1968-1976 by 180 557 hectares to a present level of 22 380 219 ha<sup>58</sup>.

Furthermore, the miserable situation of the majority of the South-Korean peasants illustrates the dilemma of an underdeveloped rural sector in a foreign-controlled and primarily export-oriented economy. The link between food prices and wage levels became vital to a competitive structure of exports. Thus, the most serious problem which plagues the South-Korean economy is that of rampant inflation. The actual inflation rate of 1978/79 which the government revised repeatedly and which officially stands at about 15 %, is regarded by foreign observers and local economists as of at least being 30 %. This hits the low income groups especially hard because prices of daily necessities have gone up by 50 % to 100 % and more<sup>59</sup>. Between January 1977 and June 1978 the cost of major items in every family budget has increased rapidly. Food prices rose by 55 % at the market, with basic food rising as follows: rice 28 %; meat 58 %, fish 46 %, eggs 50 %, vegetables 92 %, milk products 12 %, alcoholic beverages 34 %, basic seasonings 44 %<sup>60</sup>.

The Korean Herald reported on September 21, 1978, that: "Never before have the prices of agricultural products risen to such an extent as today, to the resentment of housewives. Housewives complain that a pair sized head of cabbage is selling for around 2 000 Won at urban consumer markets. This is much higher than the price of pork (1 200 Won per 600 gr.) and close to the price of beef (2 200 Won). This does not necessarily mean that farmers are making a lucrative profit. The price of a head of cabbage in rural areas, a mere 200 or 300 Won (sic), snowballs as the cabbage goes through complicated marketing channels to reach urban consuming zones. Those profiting are the middlemen who charge more at every marketing stage " . . . Cabbage is only one example. The situation is the same with other farm products such as garlic, hot pepper and onions".

"Korea, although it has achieved a considerable degree of industrial modernization in recent years, has long been an agrarian country, and the price turmoil involving certain key farm products is a clear sign that something is wrong".

Allegedly and according to the same sources which were surveying the market closely, the price turmoil was partly due to the "long, thin and crooked marketing pipeline . . ." which could be broken down "in three segments that were operated by the government, agricultural cooperatives and general merchants"<sup>61</sup>. However, the main target of this newspaper article is - as so often in developing countries - the role of rural middlemen<sup>62</sup> whereas the government and its agricultural cooperatives which have similar negative effects are conveniently spared from criticism although they are the real "middlemen" in the process of exploiting the country side.

The example of the recent unbalanced development in South-Korea demonstrates also once again how important a healthy agrarian sector is especially for a country which is not endowed with important natural resources aside from the labour of its people. Consequently, a one-sided concentration on export - oriented development has not only led to serious social costs and to the 'internal colonisation' of the agrarian sector; in particular by keeping it in a dangerous state of underdevelopment, but does also cast considerable doubts on such a 'path of development' and on the viability of such 'models' in general.

Further, on the background of these findings, I claim that the real aim of the Saemaul Movement is rather the political reorganization of the farmers and rural people in order to strengthen the dictatorial control-power of the Park régime which lately turned into a mercenary state of foreign business interests. Thus, the deeper logic of the Saemaul Movement is an attempt for political consolidation through the formation of a tightly-knit system of organisational controls. Various "grass-roots"

organisations like the neighbour groups ("Bansanghoi"), the Saemaul Youth Council, the Development Committee, the Women's Society, the Birth Control Club and the Homeland Reserve Corps form the nucleus for political mobilization and political control. As a consequence, the 'militarisation' of the society is an obvious goal of Saemaul Undong emphasizing its primarily political intentions<sup>63</sup>.

But a program for 'accelerated rural development' which does not even work in a tightly controlled and disciplined society like South-Korea and fails even under the rule of the dictatorial Park régime, has much less of a chance to work elsewhere. On the contrary, Saemaul Undong has rather sharpened up the contradictions in the country where it was invented and consequently will the "export" of the Saemaul Movement either find little ground for implementation in other parts Asia or, if governments are short-sighted enough to enforce its implementation in other areas of the region, it will also add to the process of polarisation and its ultimate results will soon turn against those who have been responsible for importing it from South-Korea.

However, rather than 'importing' a social technology of improved 'grass-root' controls like Saemaul Undong, it would bring more 'boon' to break the 'vicious circle' of export-oriented development which has plagued many national economies and which has more and more become the "Wheel of Karma" for a number of developing countries.

#### Footnotes:

- +) The author of this paper has been in South-Korea in 1973 and 1978 for comparative field studies. This is to thank my many friends and informants who wish, however, not to be mentioned by name owing to reasons of personal security and various laws prohibiting to pass information to foreigners. (see also pp.332).
- 1) Quoted from Park Jin-Hwan (Special Assistant to the President of Republic of Korea for Economic Affairs), Saemaul Movement in Korea, paper presented at AARRO-Seminar, Seoul, August 21, 1978, p.16.
- 2) Quoted from "Address by President Park Chung-Hee at the Conference for Acceleration of Saemaul Projects for Increased Farming and Fishery Incomes", Seoul, May 18, 1972.
- 3) See for instance Hans U. Luther, Factory Saemaul Movement. The Long Arm of the Government in South-Korea, Hamburg 1979.

- 4) Quoted from Saemaul Undong, Republic of Korea (public relation brochure), Ministry of Home Affairs, Seoul 1978.
- 5) Already until June 30, 1977, a total of 4295 visitors from 56 countries had come to South-Korea in order to collect information on the Saemaul Movement (quoted from "Tatsachen über Korea", Saemaul Undong, Seoul 1978, p. 89).
- 6) The authors personal observation during a visit to a Saemaul Village, together with a delegation from Thailand in September, 1978.
- 7) Quoted from Kim Dong-Hi, Economic Implications and Invest-Strategy of Rural Saemaul Undong, paper for AARRO-Seminar, Seoul, August 1978, p. 1).
- 8) See for instance S. J. Noumoff, The South Korean Miracle: Myth or Reality; especially the chapter on "Statistical Distortions" in: The Korean Review, Vol. II, No. 3, May-June 1978, pp. 2, and also Chee Chang-Bo, The Korean Review, July 1978, pp. 53. However, we do not agree with the West-German agronomist, F. Kuhnen, who wrote: "Scientists have due to the political component of Saemaul Undong refrained from analysing the Movement (sic)". Quoted from: Structural Change and Structural Policies in Agrarian Regions, Festschrift für Helmut Rohm, Göttingen, p. 117 (my translation).
- 9) See Major Statistics of Korean Economy, 1977, 1978, etc.
- 10) See for instance Park Jin-Hwan, op. cit.
- 11) Ibid., p. 1.
- 12) Quoted from Lee Chong-Yeong, Saemaul Movement in Korea - Implications on Rural Development in Asia, FAO Regional Office for Asia and the Far East, Bangkok, August 1976, p. 1.
- 13) Saemaul Undong is ideologically based on the traditional "hyangyak" (mutual help-system). In a government brochure on Saemaul Undong it says clearly that "the most important step is to find slogans which are deeply rooted in the history and traditions of the people and which appeal to all people (sic), especially to the poor". ("Tatsachen über Korea" op. cit.) p. 98.
- 14) Park Jin-Hwan, op. cit. p. 3.
- 15) Ibid., p. 3.
- 16) Ibid., p. 4.
- 17) Ibid., p. 5.
- 18) Ibid., p. 9.

- 19) The Korean Herald, September 2, 1978.
- 20) It is significant that the Ministry calls the misplanning a "natural disaster". In this case, the ironic twist was that "Nopung" seeds were given mostly to the influential middle-farmers who had better relations to government agencies and hence, suffered more from bad harvests than the smaller farmers of the same villages!
- 21) Park Jin-Hwan, *op. cit.*, p. 23 (See also Hans U. Luther: *Factory Saemaul*).
- 22) See the excellent special issue of AMPO on "Free Trade Zones", Tokyo, 1977.
- 23) Lee Chong-Yeong, *op. cit.*, p. 3.
- 24) Far Eastern Economic Review, June 8, 1979, p. 86. (quoted below as FEER).
- 25) Park Jin-Hwan, *op. cit.*, p. 18.
- 26) Kyunghyang-Shinmun, a South-Korean daily, June 27, 1972.
- 27) See: Korean Catholic Farmers' Movement, Survey Report About the Present Situation of Tenancy Compared to the Situation under Japanese Colonial Rule, summer 1974.
- 28) Lee Chong-Yeong, *op. cit.*, p. 5.
- 29) For regional comparison see also Hans U. Luther, Grass-Root Control and Compliance Patterns in a City-State: The Case of Singapore, pp. 23 (forthcoming in *Journal of Contemporary Asia*). German version in: *Kursbuch 50*, Berlin, December 1977, p. 167-177.
- 30) Kim Dong-Hi, *op. cit.*, p. 6.
- 31) *Ibid.*, p. 21.
- 32) *Ibid.*
- 33) FEER, June 29, 1979, p. 49.
- 34) FEER, *ibid.*
- 35) Lee Chong-Yeong, *op. cit.*, p. 1.
- 36) E. Dege in: *Fischer Länderkunde Ostasiens*, Frankfurt 1978, p. 287.
- 37) *Ibid.*
- 38) See for regional comparison also Hans U. Luther, *Peasants and State in Contemporary Thailand*, Hamburg, Institut of Asian Studies, 1979.
- 39) Kim Chang-Soo, Marginalization, Development and the Korean Workers' Movement, AMPO, Vol. 9, No. 3, 1977, p. 26.

- 40) *Ibid.* , p. 26.
- 41) FEER, June 8, 1979, p. 85.
- 42) See below table p.350 .
- 43) See Hans U. Luther, *Factory Saemaul. The Long Arm of the Government in South-Korea*, Hamburg 1979.
- 44) Own interview in September 1978.
- 45) See AMPO, *op. cit.* (Special Issue).
- 46) It is interesting that mostly smaller Japanese firms with an average investment of about 60 000 US \$ were involved!
- 47) FEER, June 8, 1979, p. 86.
- 48) Kim Dong-Hi, *op. cit.* , p. 3.
- 49) See footnote 27.
- 50) Korean Catholic Farmers' Movement, *Study about the Production Cost of Rice*, 1977.
- 51) *Ibid.* , p. 1.
- 52) *Ibid.*
- 53) *Ibid.*
- 54) Quoted from "Human Rights in the Republic of Korea", Commission of the Churches on International Affairs of the World Council of Churches, Geneva 1979/1, according to sources from the Catholic Farmers' Association, 1978.
- 55) *Ibid.* , p. 43.
- 56) *Ibid.* , p. 108.
- 57) For instance in: *The Korean Review*, *op. cit.* , pp. 50-86.
- 58) S. J. Noumoff, *op. cit.* , p. 5.
- 59) See FEER-Yearbook 1978, p.
- 60) quoted from "Human Rights ...", p. 11.
- 61) *The Korean Herald*, September 21, 1978.
- 62) See for regional comparison Hans U. Luther, *Peasants and State ...* , *op. cit.* , pp. 78 on ambiguous role of middlemen.
- 63) I have elaborated on this crucial problem further in: "Factory Saemaul - The Long Arm of the Government in South-Korea" and in: "Government Campaigns in South-Korea - Exorcism and Purification of Nature and People" (both forthcoming in print, Hamburg 1979).