### A Study of South Korea's Rural Development Program (Saemaul Undong)

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Abstract: Traditionally, Iran has been an agricultural country. Agriculture was the most important industry in the Old Iranian society and is one of the most important industries in modern Iran. Mohammad Reza Pahlavi Shah tried to develop the rural area based on the White Revolution. At the same time, South Korea as a traditional agriculture country realized that it should be needed to develop the rural area in order to move to the developed country. So they made rural development program called Saemaul Undong. This program is top-down movement based on President Park's sustained and active support and efficient collaboration with various related ministries. However, it would not succeed if there were not voluntary willingness that farmer want to reform and develop rural areas. The voluntarily participating farmers with Saemaul leaders who were chosen by themselves made this outcome using the education and support of the government. They obtained self-reliance getting through the poor and difficult environment and the government was able to keep pace the rural development with national industrialization. This program is a good case study for Iran.

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#### 1. Introduction

Recently, Iranian's interest about South Korea which began with TV drama is expanding to whole cultural area like Korean movie, music and language. The formal diplomatic relationship between South Korea and Iran started in 1962. After that, both countries tried to promote relation in various fields. In 1977, the name of Tehran Street was put in the central street of Seoul which is the capital of South Korea for showing the friendship between two countries and also Seoul Street in Tehran. Not only cultural area including TV drama but also economic area has been conducted actively. Many Iranian consumers are buying a number of Korean automobiles and electronics, and they are satisfied with the products of Korea. South Korea recognized as NICs (Newly Industrialized Countries) is also recognized industrialized country which is producing good quality by Iranians.

South Korea, however, was poor and hopeless around 60 years ago due to the Japanese occupation and the Korea War. South Korea had nothing. After the coup of General Park Chung Hee in 1962, he made five-year economic development plan to spur industrial development ambitiously and the urban economy was getting better but the rural was still undeveloped. The undeveloped rural made various social issues, such as income gap between urban and rural areas, the urban migration of peasants and the increasing urban poor. These were serious impediments to economic improvement. Saemaul Undong as South Korea's rural development program was appeared at that time. Saemaul Undong is a new community movement in

which people cooperate together in order to construct better and richer villages, and as a consequence, a richer and stronger nation. This Saemaul Undong, as successful rural development program is recognized by many countries. In recent years, many countries from Asia, Africa, and South America come to Korea for trying to learn the practices of Saemaul Undong.<sup>1</sup>

Iran also evolves with urban and rural areas for industrialization. At this point, this research of South Korea's rural development program would be a good case study for Iran. From the view of area studies, this will be a good to understand the development of South Korea.

In this paper, I study not only the beginning, progress, and expansion of Saemaul Undong but also the objection and result of that, and also trying to find out distinction of South Korea's rural development program in order that Iran might adapt to their field.

# 2.The Beginning and Expansion of Saemaul Undong 1. The Beginning of Saemaul Undong 1> Land Reform

The land reform, which took place in three stages from 1946 to 1955 in South Korea, gave people who had been tenants of Korean and Japanese landlords under the Japanese rule (1910-1945) the opportunity to become independent farmers. After

<sup>&</sup>lt;sup>1</sup>http://www.afta.kr/bbs/board.php?bo\_table=news&wr\_id=716&sfl=&stx=&sst=wr\_datetime&sod=asc&sop=and&page=46

World War  $\Pi$ , the American military government (1945-1948) took the first step of the land reform in 1946. It limited peasants' rental payments for land to one-third of the value of the land's annual harvest, which was a drastic reduction. In 1948, the American military government sold land that used to belong to the Japanese Oriental Development Company (later the New Korea Public Company) to tenants for prices equivalent to three years of harvests.

Affected by the socialist land reform in North Korea, the sovereign Korean government, established in 1948, promulgated a series of land reform laws in 1949 and implemented them from 1949 to 1955. These included three basic principles with more emphasis on equality than growth: (1) only those who are actually farming can own farm land: (2) land can be owned up to a maximum of three hectares; and (3) farmers cannot contract out their land to others for farming(Sin, 1988). Based on these principles, the government bought land from those who owned more than the maximum of did not farm it themselves, and sold it to those who had farmed it as tenants.

Although some landowners sold their land before the implementation of the land reform, more than 60 percent of the land was bought by government. Landowners were paid with government bonds, while tenant farmers were able to buy the land from the government for a price equivalent to one and a half times the annual harvest, which they could pay over a three-year period(Kim, 1997). In 1945, 65 percent of farmers were tenant farmers; by 1951, after the land reform, the figure was 8.1 percent.

It would be fair to say that the land reform in Korean was successful in that it helped farmers to own their own land. The inequality of land ownership was reduced sharply (Kwon, 2010). The socio-economic impact of land reform was profound, transforming rural South Korea from a landlord-dominated economy and social structure to a relatively egalitarian rural society characterized by small-farm owners and few landless households (Reed, 2010).

### 2> Historical Background

The profile of farming villages in the early period of the 1950's in South Korea was that of extreme poverty. Price of rice and barley were low and approximately 80 percent of all farming households were suffering with high-interest debts. In the 1960s, rural poverty was also high and the rapid industrialization that started at that time made inequalities among the newly urban centers and the rural areas more noticeable. Discontent with the Park Chung Hee regime grew among the rural population, and in the national election of 1969, the approval rate of the ruling democratic Republican Party of President Park fell by 15 percent even in the rural areas, which

traditionally had been regarded as a favorable voting constituency for President Park. Park Chung Hee regime was started to feel political threat and to realize that they needed to make a new rural program for satisfying the rural.

In the winter of 1970, the government received a report on the overproduction of cement and improvised a plan to distribute the excess to rural people. The government first distributed 355 packs of cement to each of the 34,665 rural communities free of charge with one restriction: usage for the welfare of the entire community. The plan received a favorable public reaction and achieved significant results beyond the government's prediction. Encouraged by the success and incorporating the lessons learned from the previous rural development program, President Park elaborated a new rural development program, naming it Saemaul Undong (Park, 2009).

#### 3> The Objectives of Saemaul Undong

Saemaul Undong was part of modernization process in South Korea. It allowed the country to improve incomes and living standards, not only in urban areas, but also in rural areas. Saemaul Undong core values were based on the society best qualities. Therefore, the principal objectives of the movement were not only to improve infrastructure and income, but also to positively empower people to develop their capabilities and give them access to better opportunities. These values meant promotion for dynamic labor force to improve productivity (diligence), the production of rice in rural villages for their own consumption (self-reliance) and the participation of villagers in the rural development process (cooperation). Under the implementation of the three core values, farm household income increased from an average of 255,800 won in 1970 to 1,531,300 in 1979 and rural poverty declined from 27.9% in 1970 to 10.8% in 1978(Park, 2008). As a result of the combination of rural policies and based in these values South Korea achieved a rural development policy that took many people out of poverty.

# 2. The Progress of Saemaul Undong1> Holistic Approach

Saemaul Undong took a distinctive holistic approach by combining training in capacity-building and institution-building with physical development activities based on the villagers' needs. The program started with relatively small projects that could produce distinctive changes in the village but be accomplished relatively easily so that the villagers could realize their capacity and build confidence in them. At the same time, it provided training on sharing the practical experiences of Saemaul leaders in successful villages and delivering practical knowledge and technical skills necessary for project management. Villagers could better manage their activities with newly acquired

knowledge, which in turn produced better results and strengthened their confidence even further, creating a virtuous circle of development.

Saemaul Undong also comprehensively dealt with various challenges that the villagers identified coping with the multidimensional challenge of poverty. By not focusing on a specific challenge, it efficiently dealt with the diverse but interlinked adversities that rural villages faced. Under broad government guidelines, priorities were determined by the people and were carried out step by step.

# 2> The Cooperation of Government Agencies

To effectively address the multidimensionality of poverty and to deliver the comprehensive development plan package in cooperation with rural villagers, the government of South Korea devised a distinct approach of horizontal coordination. The government delegated the authority of coordination to the Ministry of Home Affairs, under which all relevant ministries were mobilized. A committee, chaired by the Minister of Home Affairs, was formed in the central government and the relevant ministries organizations discussed and coordinated their plans under guidance of the Ministry of Home Affairs. In each level of local government, a special committee for coordination was also created. Comprehensive development plans for each village were managed by the relevant department congruent to their work and channeled up to the relevant ministries in the central government, effectively covering all the issues concerned.

Using the centralized and hierarchical administrative system, Saemaul Undong effectively created vertical integration linking villages, local governments and the central government. Each level of government managed program under its control and reported to the higher level authority. The central government provided general guidelines and directions and coordinated the overall management of the plan. The local government acted as a pipeline conveying the voices from the villages to the top and transferring directions from the top to the village. Local governments were permitted to modify at their own discretion the action plans under their jurisdiction to some extent reflecting local conditions and the opinions of the villagers. Each level of local government was also accountable for monitoring and coordinating the activities of the lower level governments. From the central government to the villages, government official and villagers were linked vertically, which made effective communication and cooperation possible(Park, 2009).

### 3. The Expansion of Saemaul Undong

Saemaul Undong had been widely expanded in terms of numbers of participating village, mobilized

manpower, and the amount of the total investment. During the period of 1971-1978, about 2,000 billion won was invested in Saemaul Undong, out of which 22 percent was supported by the government and 78 percent was contributed by the village people. Because of the increasing level of people's motivation to rural development, the portion of government financing of Saemaul Undong tends to be falling. The amount of government contribution has increased about 12 times over period of 1971-1978. In the meantime, the people's contributions increased more than 20 times, including their voluntary work, money, small pieces of land, and other materials (Whang, 1980). Thus, the government investment in Saemaul Undong had induced a greater mobilization of labor and funds as well as the voluntary participation of the village people in rural development. In other words, the initial contribution of government had a snowball effect so as to bring about an accelerated mobilization of rural resources for self-help efforts.

During the early stage of Saemaul Undong, the investment in physical infrastructure was emphasized. However, the changing pattern of fund allocation shows that since 1975 the emphasis was shifted to projects aimed at increasing rural incomes, and more recently the emphasis on rural housing projects had also increased. As a result, significant changes have taken place in various aspects of rural communities such as farm roads, small scale-bridge, agricultural production facilities including nursery agricultural mechanization marketing transportation, cooperative farming, rural housing, and rural electrification (Whang, 1981).

### 3. The Distinctions of Saemaul Undong

### 1. Autonomous and Voluntary Participation of Villagers

As much as it was top-down and centralized, Saemaul Undong was almost equally bottom-up in some ways. While the main role of the central government was limited to leading and coordinating the nationwide activities of the various stakeholders, villagers, at the opposite end, took responsibility for village level; activities, tailoring them to the needs and circumstances of the communities.

Saemaul Undong also introduced a new kind of community-based leadership, which was different from that of the traditional village chiefs. While village chiefs had been paid and appointed by the government from among old villagers, Saemaul Undong leaders were elected by the villagers usually among relatively young people and served the villages without any compensation. They represented the interests of their villages to the local authorities and sometimes did not hesitate to challenge or confront the local officials. Under this new leadership, villagers worked together

for a common goal. The new experience allowed the people to realize their capacity and empowered them face-to-face with the government.

The empowerment, however, was a limited experience with regard to development issues and was never further developed or transferred to become fully fledged political activism. Villagers were well aware that they were participating in a campaign initiated and implemented by the government. Their participation was also strictly limited to the activities relevant to Saemaul Undong. They also knew that, though the local government agents were helping them, the agents could always turn into watchdogs for the government (Park, 2009).

## 2. The Aggressive and Constant Support of Top-Leader

It has been argued that no policies or programs can be successfully implemented without the commitment of the government, and Saemaul Undong was no exception. Strong commitment and leadership from the very top played a crucial part in its success. It was President Park, with his strong will and commitment, who initiated, designed and provided continuous support for Saemaul Undong. The unwavering commitment of the top leader enabled too government to allocate 5 percent of its tax revenueaverage 2.5 percent of GNP (Kwon, 2010: 88) every year to the program for the 10 years. For 10 years from 1971 to 1979, he made Saemaul Undong a top priority of his government, checking monthly progress, inviting villagers to cabinet meetings to give presentations, and making surprise visits to villages and training centers. A strong commitment from the top leader enabled effective vertical integration linking all the levels of government and created a holistic approach horizontally mobilizing resources and coordinating plans among the relevant ministries. With Saemaul Undong a top government priority, government officials made significant efforts for the program's success as they knew their personal gains, such as promotion, were dependent on their performance (Park, 2009). It would have been difficult to sustain and manage the nationwide program for a decade without continuous commitment from the top leader.

# 3. The Adherence of Competition and Autonomy for Assistance

In 1973, based on performance evaluation, the government disqualified 6,108 villages out of a total of some 30,000 villages from receiving further assistance for the following year. The principle of "more assistance to more successful villages" acted as an effective stimulator, increasing competition among villages and promoting more participation for better achievement (Kim, 2000). Later, government classified all the rural villages into three categories and selectively provided villages with assistance, favoring

those advancing towards a "self-sustainable community" while spurring the lagging villages to catch up with others.

The government provided successful villages and their leaders with rewards. They were regarded as national heroes and presented their stories at cabinet meetings and training courses and in schools. Local government officials, with their personal interests regularly at stake, sometimes every day, visited rural villages and kept detailed records of village achievements. The strong message from the top was that rural development was a national priority and it was to be implemented through Saemaul Undong, and that they would be held accountable for its success (Goldsmith, 1981).

#### 4. The Role of Saemaul Undong Leaders

Much research has identified the crucial presence of an organizational or political "entrepreneur" that mobilizes and leads people in collective activities as one of the key factors in successful local development (Park, 2009). The democratically selected young male and female leaders of Saemaul Undong played an important role in promoting participation and in eventually introducing democratic leadership to the villages. One common denominator shared by almost all of the success cases was the devotion and dedication of the leaders in the villages. Most villagers pointed to the devoted and diligent Saemaul Undong leaders as the number one factor of success.

It is interesting that, though they were the potentially powerful local leaders often with strong local support, Saemaul Undong leaders never became a challenge to the government authority. Though it was not clear whether it had predicted a possible threat and had exercised precautionary measures, the government banned Saemaul Undong leaders from joining any political party. On the other hand, people, who must have been fully aware of the commanding involvement of the government in Saemaul Undong, would not dare to use the very opportunity provided by the government to turn against it.

# 5. Practical and Experience-based Leadership Training

When Saemaul Undong started the communities were told to find a leader inside each community. The leaders in each community were chosen accordingly with their capacities, initiative and participation. They were selected among the young and active people by the people in the communities. To follow the goals of the movement these leaders needed to work very close with the local government institutions. Their education was also very important. President Park convened experts and professors for this education and training program and made curriculum contents more practical and applicable instead of theoretical. Thus Practical and experience-based training that President Park

advised was given to more than 500,000 people during the course of Saemaul Undong from 1972 to 1980. Program provided practical skills and technologies on project management and new tools and technologies in agriculture. Practical knowledge gained from training programs helped to improve their living standards, which in turn led the villagers to change their traditional attitude and strengthen the lessons of attitudinal change provided by other training. Training also provided the participants with a chance to share knowledge and exchange view on their failures and successes while serving as a communication channel relaying the suggestions and opinions of the participants to the government (Park, 2009).

#### 4. Practical Effects with Saemaul Undong

#### 1. The Voluntary Participation of Villagers

For any rural development program to be successful, active participation and ownership among villagers is a prerequisite. With Saemaul Undong, the tradition of cooperation developed to become calculated participation with the experience of consensus building, and collective decision-making and implementation in managing village projects. <sup>2</sup> According to a report by the Ministry of Home Affairs, between 1971 and 1979, each rural person contributed 12 days of work per year, totaling 1.1 billion work days, to Saemaul Undong. In 1978, a large-scale survey done by the Korea Rural Economic Institute showed that 67 percent of the respondents said that they attended all the village meetings held in their villages, which another 28 percent said they attended often.

A close linkage between personal interests and village projects can be ascribed as the main reason for the active participation. When the program began, village level participation was mobilized by the local government and was limited to the passive provision of labor. Having observed the positive changes and realized the possible benefits, villagers gradually became more proactive. Under the limited autonomy they had in implementing projects, they became actively engaged in village-level decision-making and the implementation process. The selective assistance approach and public relations drive by the government increased the villagers' interest and the competition among them. Greater assistance to more successful village policies led to a spirit of competition among

villages, resulting in the increased participation of villagers. The massive dissemination of success stories via the mass media also attributed to promoting a more competitive spirit, positive attitude and hope for change among the villagers(Park, 2009).

#### 2. Visual Effect

The rural household income rose from 21,317 won (Korean Currency) to 185,133 won between 1970 and 1979. While the urban household income increased from 31,700 won to 219,133 won. This meant rapid growth and better incomes for both rural and urban areas. The improvement in the income of rural households appeared to be part of the policies towards agricultural productivity and rural development. Green Revolution played role in improving agricultural production. As part of the projects that sought to improve the agricultural income, new technologies and new seeds were used.

The projects developed under Saemaul Undong were based on the specific needs of the villages to achieve rural development. The model of Saemaul Undong, was to conduct projects that 'meet residents' visible needs, encourage self confidence among residents and achieve village development'.<sup>3</sup>

### 3. Improving the Quailty of Life

Saemaul Undong brought significant improvements in the rural living environment and infrastructure. Enlarged and extended roads made mechanized farming possible, while the extension of telephone lines and electrification provided timely information and enabled villagers to cope with changing market situations. The improvement consequently created a virtuous circle of human development. Improved basic infrastructure helped to increase productivity and income, with better access and wider opportunities, while also creating a healthier environment with better sanitation. Their experience of cooperation with the government provided learning-bydoing opportunities for building capacities in project management. It also boosted confidence and changed attitudes, which led to the empowerment of people in the villages and transformations in local governance (Park, 2009).

# 4. Saemaul Undong's Expansion to Social Sector

In the urban areas, Saemaul Undong had taken first root based on the spirit of loyalty and filial duty, leading to the establishment of a sound national mentality and social discipline. Moreover, the campaign for the preservation of nature, intended to preserve and care for land, had been actively staged. Rivers and mountains regain their picturesque appearances. The campaign for the preservation of

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<sup>&</sup>lt;sup>2</sup> Cooperation in Saemaul Undong could be said to be more goal-oriented and systemized. The Saemaul Council systematically managed cooperation projects, which were evaluated to see whether they achieved their target or not. In this sense, cooperation in the program was more systematic compared to traditional collaboration among people.

<sup>&</sup>lt;sup>3</sup> http://www.saemaul.or.kr/english/saemaulundong.asp

nature and maintaining social order became the foundation of the social forces that could go with a more modernized and developed society.

At factories, a smooth labor management system peculiar had been successfully maintained. As a result productivity has increased and exports had risen sharply every year. (Lee, 1981: 166)

As rural development program, Saemaul Undong breathed confidence and expectation that we can change the rural community as well as all of the society, if we try.

#### 5. Conclusion

South Korea had achieved not only the high economic growth but also the development of rural areas through the rural development program meaning Saemaul Undong in 1970's. This program is top-down movement based on President Park's sustained and active support and efficient collaboration with various related ministries. However, it would not succeed if there were not voluntary willingness that farmer want to reform and develop rural areas. The voluntarily participating farmers with Saemaul leaders who were chosen by themselves made this outcome using the education and support of the government. They obtained self-reliance getting through the poor and difficult environment and the government was able to keep pace the rural development with national industrialization.

Traditionally, Iran has been an agricultural country. Agriculture was the most important industry in the Old Iranian society and is one of the most important industries in modern Iran. Iran has 9.78 percent arable land of whole country. Agriculture took 10.4 percent of GDP in 2011. 25 percent labor force in Iran works in this field. 4 Agriculture still occupies an important position in Iran's industrial structure. Iran was also trying to develop the rural areas with the White Revolution of Muhammad Reza Pahlavi in 1960's. The Shah wanted to give the hope to peasants who had no hope in poverty with Land Reform and creating Cooperatives, of course there were many political intentions. Because of those, exhausted by land reform itself, there was no strength to develop the rural areas effectively. The Shah's industrialization program not based on the rural development was failed.

Iran with the aspiration to move on the new industrialized country need to study in more detailed to suit her needs such as the case of South Korea's rural development program like Saemaul Undong for developing the basic industry and the rural area.

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