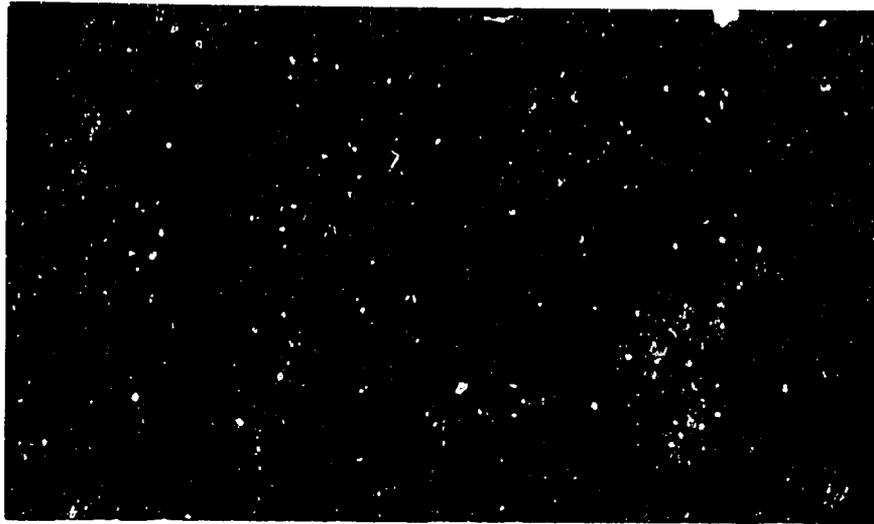
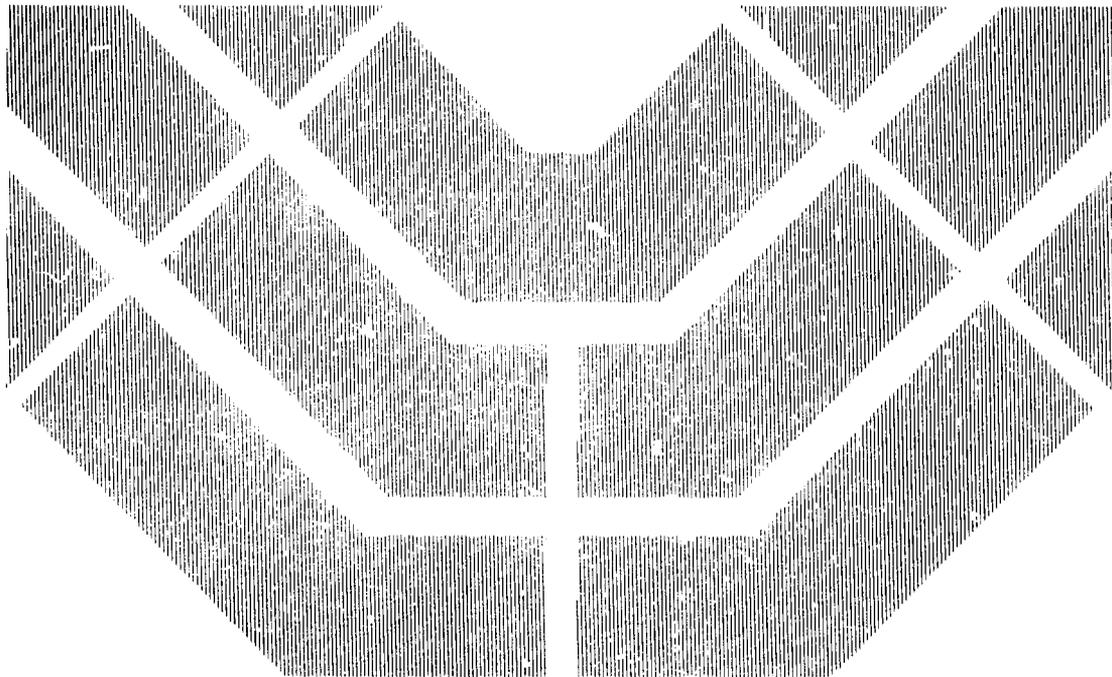


# Comparative Legislative Research Center



**Occasional Paper Series**



**The University of Iowa  
Iowa City, Iowa**

RURAL DEVELOPMENT POLICY AND  
STRATEGY IN SOUTH KOREA:  
POLITICAL AND ECONOMIC CONSIDERATIONS\*

Young Whan Kihl  
Iowa State University

Occasional Paper No. 17  
April, 1982

This is a revised version of one of nine papers presented at the AID/Shambaugh Conference on Local Political Organization and Rural Development Policy in Less Developed Countries held at The University of Iowa, Iowa City, Iowa, September 24-26, 1981.

\*Partial support for research on this project was provided by the World Food Institute of Iowa State University and is gratefully acknowledged.

11

RURAL DEVELOPMENT POLICY AND STRATEGY IN SOUTH KOREA:  
POLITICAL AND ECONOMIC CONSIDERATIONS

An appropriate national strategy for rural development is an important matter of concern for both policymakers and citizenry in developing countries. This paper will examine South Korea's experience in rural development strategy and particularly the linkage of this strategy with an overall developmental policy planning for the national economy. The political system characteristics, needless to say, exert certain influences upon the process of rural development policy making and implementation in developing countries. Since South Korea throughout most of its recent history has exhibited a centralized style of decision making, the question of how to reconcile the overall national policy requirement at the center with the rural developmental needs in the periphery has become a difficult issue to resolve. Rural development, by definition, involves active participation by the citizenry in the remote regions. The policies and programs of rural development (in a country like South Korea), however, are articulated by the government elite at the center.

In analyzing the center-periphery relations with respect to rural development policy making, therefore, a number of relevant questions in regard to articulating policy objectives and participation in the policy process must be kept in mind. What, for instance, are the objectives of rural development policy as pursued by the national government elite? To what extent do local elites and rural residents participate in the process of formulating and implementing developmental projects? Who actually are responsible for the promoting rural development policies and programs at the center? This paper will proceed to examine a set of three inter-related

topics: (a) Korea's overall developmental strategy of the national economy with a view to ascertain the nature of the rural development policy in its proper perspective, (b) the factors of Korea's rural environment to the extent that they influence the making and implementation of rural development policy, and (c) the relevance to other developing countries of the Korean experience in adopting "delayed" or "belated" rural development strategies.

#### I. KOREAN DEVELOPMENT IN PERSPECTIVE

Rural development policy in South Korea is an integral part of the over-all package of the national policy planning for economic development. As such the role of the central government is clearly evident in guiding the processes of both Socio-economic development and rural and agricultural development. A series of five year economic development plans have been put into effect in South Korea since 1962, following the military take-over of power on May 16, 1961 by then-Brigadier General Park Chung Hee. A comprehensive strategy for rural development was not adopted by the national government leaders, however, until early in the 1970s, as a part of the TFYP (1972-76). The latter's three-fold objective was: to assure (a) agriculture's contribution to the overall economic development, (b) the improvement of the quality of rural life, and (c) the attainment of near self-sufficiency in food production.

During the period of the first three Five Year Plans (1962-1976), South Korea attained a rapid rate of economic growth and thus transformed itself from a backward agrarian society into a semi-industrial, middle income, newly industrializing country. In 1961 Korea was one of the poorest LDCs, with heavy dependence on agriculture. But since then Korea's GNP

grew over the fifteen-year period between 1962 and 1976 at an average rate of more than ten percent annually, and its per capita income tripled in real terms in the same period. The manufacturing sector grew at 17 percent annually in constant prices, increasing its share in GNP from 14 percent to 30 percent, while the share of agriculture fell from 40 percent to less than 25 percent. The engine of economic growth for South Korea during this period was the export of manufactured goods as the gross value of these exports rose from \$41 million in 1961 to \$8 billion in 1976 in the 1975 constant prices, representing an overall real growth of exports, of 33 percent annually. In 1976 exports constituted 36 percent of the GNP.<sup>1</sup>

During the Fourth Five Year Plan period (1977-81), the economic growth **did** not keep up with the earlier dynamism. In 1980, for instance, South Korea registered a negative growth of minus 7.6 percent for the first time. The economic setback registered in 1980, in spite of its good performance in the preceding three years of 1977-79, was a reminder that the country was still vulnerable economically, although the economic planners considered this slowdown to be a temporary setback. A number of factors contributed to this downfall in the economy. Among them are the political uncertainty and instability following the assassination of President Park Chung Hee in October 1979, the world-wide economic recession and inflation following the OPEC price hike in 1979, the loss of the competitiveness of the Korean export goods in world market due to rise in labor cost, etc.

Rural development policy in Korea was formulated and put into effect by the national government leaders as part and parcel of the overall economic development strategy. During the first three Five Year Plan periods (1962-1976) the agricultural sector of the economy was not developing as

rapidly as industrial sectors, although the value added in agriculture grew at more than four percent annually, indicating a fairly respectable rate of productivity growth in this important sector.<sup>2</sup> In fact, agricultural and rural sectors were utilized by the national policy makers to support developmental needs of industrial and urban sectors of the economy. Thus, the rising demand for labor in the industrial and rural sectors caused heavy outmigration from the rural areas. During the three five Year Plans period (1961-1976) more than two million jobs were created in industry. While the overall rate of employment growth was 3.9 percent a year, the growth in agricultural employment was only one percent a year during this period.<sup>3</sup>

Obviously, the national government elites in South Korea relied on the developmental strategy of "unbalanced and selective growth" of the economy by giving primary emphasis to programs of industrialization first. As a result the agricultural and rural sectors of the economy were relatively slower in growth and lagged behind the urban and industrial sectors of the economy throughout the 1960s. As the urban-rural gap and disparity in income began to widen, however, the government leaders recognized the potentially serious nature of this problem and instituted numerous policy measures for correcting the situation by increasing agricultural and rural income. This was started in 1967 when the Park Chung Hee Government put into effect the government price support policies in agriculture to improve the agricultural terms of trade. Although economically costly, the government adopted the grain price policy instituting a higher purchase price for rice from the farmers and a lower resale price for the industrial workers and urban dwellers.<sup>4</sup>

This price support policy, as Table 1 below shows, stemmed the decline in the rural income as compared with the urban income, at least for the time being.

TABLE I ABOUT HERE

The underlining logic of the costly grain price support policy was that the rural sector was entitled to share the benefits of rapid economic growth that characterized the Korean economy in the five year plan period. In short, the national government elites in South Korea began to pay due attention to the equity and distribution of the benefits of economic growth as well as to the continuous economic growth.<sup>5</sup>

Starting in 1970, timed with the implementation of the Third Five Year Plan (1972-1976) more government efforts were directed toward improving the quality of rural life. Through the inauguration of the rural development programs, called the Saemaul Undong (the New Community Movement) in 1970, the government of President Park Chung Hee increased its investment and expenditure for such infra-structure as roads, electricity, telephones, piped water, etc.<sup>6</sup> The objective of the Saemaul Movement was "to develop self-reliance, leadership, and a sense of community and thus to release latent development energies throughout the rural Korea." For this purpose the villages were urged by the central government to improve their living environment and productivity. Although the village committees selected projects that were to be implemented principally by volunteer labor, the central government stepped in to provide assistance in cash and building materials. The success and failure of developmental projects ultimately would depend on the level of the organizational ability with each village. The indigenous capacity and awareness of the needs of

TABLE I.  
Rural and Urban Income Levels in South Korea, 1961-1976  
(in percent)

| Type of Income | Ratio of Rural Incomes to Urban Incomes* |      |      |      |      |
|----------------|--|------|------|------|------|
|                | 1963                                     | 1968 | 1973 | 1975 | 1976 |
| Household      | 116                                      | 63   | 87   | 102  | 100  |
| Per Capita     | 107                                      | 57   | 80   | 93   | 91   |
| Per Worker     | 43                                       | 27   | 41   | 48   | 47   |

Sources: EPB, Annual Report on the Family Income and Expenditure Survey (Seoul, 1974), MAF, Report on the Results of Farm Household Economy Survey (Seoul, 1975); EPB, Monthly Statistics of Korea, January 1976; as cited in Hasan and Rao, p. 41.

\* These ratios are of the average monthly incomes of farm households to those of urban wage and salary earners.

each village was important to motivate the villagers to want to improve their status. The Korean villages first started with such simple projects as roof improvements and drains, but they progressively moved on to other infrastructure projects, such as building roads, bridges, and irrigation, and then on to schemes for raising supplementary incomes, such as livestock raising, silk production, specialty crops, and cottage industries.<sup>7</sup>

By the end of the 1970s the South Korean rural communities generally improved materially in terms of the quality of rural life. That the Korean villages enjoy a high level of basic services as compared with some other LDCs, is evident from these statistics. In 1976 there were some 2.8 million rural households in 45,000 villages, of which about 18,600 were legally constituted, each having 100 or more households. All villages had easy access to primary schools, and most villages to middle schools. Family planning material was widely disseminated, and the rural fertility rates were declining about as fast as the urban rates. About 91 percent of all households had access to electricity. More than one-half of the legal villages also had community telephones, while almost all the villages were fairly well connected by roads although there was much room for improvement in the quality of rural access roads. Access to piped water, however, was still relatively low.<sup>8</sup> On the whole the distribution of most services was probably better in South Korea than that in other countries at comparable levels of development.

## II. RURAL ENVIRONMENT AND DEVELOPMENT POLICY MAKING

The specific measures to enhance the quality of rural life, such as those shown in the preceding discussion, were not put into effect until

relatively late in the developmental process. The central decision makers adopted the rural development policy only as a "delayed response" to the rural needs. Although an increasing urban-rural disparity was perceived to be a serious policy issue, the political elite in South Korea decided to allocate the limited national resources first to development projects of the urban and industrial sector of the economy, thereby giving less emphasis to the agricultural and rural development projects, at least in the initial stage of the economic development process. Given the fact that South Korea was traditionally an agrarian society, and the majority of the population resided in the country side, this lopsided and unbalanced approach to growth favoring the urban and industrial sector was not without political risk and was also unpopular. Fortunately for the South Korean leaders, however, this policy paid off in the long run, thanks to the success of rapid economic growth led by industrialization of the economy.

The policy of "delayed gratification" of the rural sector was consciously promoted by the national leadership in the early stage of the economic development process. It was a political decision but felt unavoidable by the leadership in view of the limited resources the country was endowed with. The formulation and implementation of the rural development policies, under the circumstances, was influenced by the specific conditions and environmental constraints that prevailed in the countryside of Korea. These included a set of four specific considerations, namely, the character of Korea's farm structure, the state of agricultural technology, the pattern of regional variation, and the local political linkage with the central government. Each of these factors will, in turn, be

elaborated upon next.

i. Farm Structure

Two of the major difficulties confronting agriculture in South Korea according to a government publication in 1975, were "low agricultural production" and "uneconomic organization of farming."<sup>9</sup> The structural characteristics of Korean farming, such as rice plantation and small farm size, are taken into account as given factors by the policy makers in adopting an overall developmental strategy for the national economy.

Of the total area of 22 million hectares of the Korean peninsula, South Korea below the demilitarized zone occupies approximately 10 million hectares, and only 23 percent of this land (or 2.24 million hectares) are cultivated. The paddy land suited for the rice plantation, approximately 13 percent of the total area, is located mainly in the four main river valleys and in the small plains along the western and southern coasts. Most of the arable land in Korea is used quite intensively; there is even double cropping, particularly in the southern plains, where rice is the main summer crop and barley or wheat is grown in the winter months. Despite concerted efforts to expand the irrigation and drainage facilities, only 85 percent of the total cultivated area in 1975 was irrigated. Agricultural crop production in Korea still depends heavily on weather conditions.

Furthermore, the small size of farms, heavy concentration of rice farming, and low supply of agricultural capital make it difficult for the Korean farmers to switch from a traditional and subsistence-level to more modern and commercial farming. The small size and poor organization of the farms are evident from the fact that in 1975 the per farm household landholding in South Korea was only 0.94 hectares. Also, land plots are so

scattered as to require an average of four different plots per household. Since a supplementary nonfarm source of household income for an average Korean farmer is also meager, 18.1 percent in 1975 as compared with 71.1 percent for an average Japanese farm household, it is reasonable to conclude that agriculture in South Korea has a long way to go to attain modernization.<sup>10</sup>

Nonetheless, the contribution made by the agricultural sector to Korea's overall performance of the economy in the three Five Year Plan periods (1962-1976) has often been overlooked. Agriculture in Korea, as a recent World Bank report emphasizes, "already was well advanced by the early 1960s" which "enabled government to devote more attention and resources to the urban and industrial sector."<sup>11</sup> For instance, the land reform in 1947 and 1948 fixed "a ceiling of three hectares on landholdings, in an effort not only to bring about greater social equality through redistribution of three quarters of cultivable land, but also to remove the feudal obstacles that so often hindered agricultural development" in other LDCs.<sup>12</sup> More than 2 million hectares, or virtually all of Korea's cultivable land, were under intensive cultivation in 1961, producing some 92 percent of the country's requirements for grain. Average yields of rice in South Korea were about 2.3 tons a hectare, which is nearly one-third more than the yields generally obtained in countries of Southeast Asia. Moreover, with the introduction of the new improved seedlings of rice, as much as 6 tons per hectare of rice were reported in certain locations of Korea.

ii. Agricultural Technology

Korea's agricultural technology was also taken into account by policy makers in adopting developmental strategies in Korea. The state of agricultural technology in Korea was characterized by labor-intensive and partial animal agriculture. The use of machines was not only limited, approximately one motor or machine for every 40 farm workers in early 1970s, but the use of animal and human labor was also extensive, one draft bull or cow for every four men.<sup>13</sup>

Korean agriculture, being primarily a rice economy, naturally depends heavily upon an irrigation system. In this respect Korean agriculture is similar to that in Japan and Taiwan, although the water control technology is not as well developed in Korea as in Japan or Taiwan. Other agricultural technologies, such as plant protection and fertilization, are slightly inferior to Japan while they may be similar to those in Taiwan. The fact that Korea is located close to the world's northern most boundary for rice production, however, is an important consideration. This means that a precipitous and warm summer climate and a heavy doze of fertilizers is essential for Korea's rice harvesting. Under this generally harsh environment it is rather remarkable that the agricultural yields in Korea have been generally high.

Korean agriculture has not adopted thus far the cattle-raising technology and forage production technology. Traditionally in Korea, forage has been a byproduct of the grains and low productive forest (or bush) lands. Livestock industry in Korea, including beef, hog, poultry and dairy, therefore depends on the import of feed grains from abroad. Given the fact of Korea's temperate zone climate, Korean agriculture can easily

adapt to, as well as innovate, new cattle technology and the technologies of other livestock industries. However, the limited land space available for raising livestock may not be conducive to such innovations. Finally, Korean agriculture is relatively advanced in traditional fruit and vegetable production. However, agricultural marketing and food processing technologies are still traditional and generally less developed.<sup>14</sup>

### iii. Regional Variation and Disparity

South Korea has been beset by two kinds of disparities in the process of socio-economic modernization: the first is the urban-rural disparity and the second is regional variation in the standards of living. While the urban-rural gap in income was the natural result of the government's pursuing industrialization as the overall strategy for economic development, the variation between different regions in South Korea was the consequence of the national political elite adopting a deliberate design for selective growth. Consequently, the regional emphasis was politically motivated. The inter-regional disparity is striking, although it is gradually being reduced with the overall progress in the economy and through the rural modernization begun in the early 1970s.

The contrast between the urban areas and the rural communities, in terms of sharing the benefits of the rapid economic growth, has manifested itself in the lopsided growth of the metropolitan regions in South Korea.<sup>15</sup> The special cities of Seoul, Pusan, Taegu, etc., are political, economic, cultural and educational centers of the country, where the standard of living is generally higher than that in the countryside, except for those residing in the squatter settlements. The capital city of Seoul, with

population of close to eight million, is overcrowded with more than 20 percent of the total population of South Korea residing in the city. Rural Korea, in turn, consists of some 45,000 villages which are administratively organized into nine provinces and 175 counties. Some forty cities of the population over 50,000 connect these villages in a network of spatial communication and control.

Although South Korea is homogeneous in culture and centralized in politics, factors to be examined more fully later, the country suffers from regional variation which is a result of a long historical tradition and culture. The contrast exists, for instance, between the Koreans originating from the southern provinces and those from the northern provinces, particularly those who came to the south as refugees after World War II, the war which divided Korea territorially and politically into the communist North Korea and the non-communist South Korea. The contrast is especially striking in South Korea between those who come from southeastern provinces (Kyongsang) and those from southwestern provinces (Cholla).

This regional disparity and rivalry between the southeast and the southwest was deepened by the economic development policy pursued by President Park Chung Hee in the 1960s and the 1970s and the differential regional impact. The Korean government, at the initial stage of economic development plans, emphasized the southeastern region and neglected the developmental needs of the southwestern region in the process. The modern highway system was built first to connect Pusan and Seoul in 1969, while that to link the provincial capital of Kwangju and Seoul did not materialize until 1974. This was true in terms of the government determining the location of industrial complexes, which are heavily concentrated in the southeastern

provinces rather than in the southwestern provinces.

It was also popularly perceived in South Korea that the people of the Kyongsang origin were given priority over those of the Cholla origin. The fact that President Park himself and the present President Chun Du Hwan of the Fifth Republic originated from the Kyongsang provinces may be no accident, according to these critics, nor is the imprisonment of the dissident political leader, Kim Dae Jung, who is native son of the city of Mokpo, South Cholla Province. Kim, as an opposition party leader, unsuccessfully challenged Park Chung Hee in the 1969 presidential election and later was exiled and subsequently abducted to South Korea from his Tokyo hotel by the KCIA agents in 1973. Timed with the insurrection of Kwangju, the provincial city of South Cholla, in May 1980, Kim Dae Jung was court martialed and sentenced to death, a sentence subsequently commuted to life imprisonment by President Chun on the occasion of his celebrated trip to Washington, D.C., to confer with U.S. President Ronald Reagan in January 1981. On March 1, 1982 Kim's term was commuted to twenty years, as part of an overall amnesty to mark the one year anniversary of the inauguration of Chun as President of the Fifth Republic.

The two Kyongsang provinces constitute the backbone of the economy in South Korea. With the industrial complexes along the coastal cities of Ulsan, P'ohang, Ch'angwon, they constitute a large proportion of the manufacturing industries of the country such as the steel production, oil refining and machine-building, including more than half of the nation's textile output. Even the agricultural output of these provinces is impressive, with one-third of the national rice production, over 40 percent of its barley and wheat, close to two-fifths of its silk, and three-quarters

of its apples. The land area is approximately one fourth of the total but the population is approximately 30 percent of the total.<sup>16</sup>

The two Cholla provinces are often characterized as "a remote poverty-stricken area, in which development lags behind the rest of the country."<sup>17</sup> This stereotype view, although somewhat exaggerated, is based on the fact that almost four-fifths of the population early in the 1970s was engaged in primary industry, and only two percent was in manufacturing. Cholla Namdo has had the lowest per capita income of any province, while the annual income of households in the Cholla provincial capitals, Chonju and Kwangju, has been lower than that of other provincial capitals such as Taegu and Pusan, Kyongsang Bukdo and Namdo.<sup>18</sup>

#### iv. Local Political Links with National Politics

South Korea is a highly centralized and unitary political system. All the initiative for important policy decisions originates from the center, while the local government agencies execute these policies as "directives" from the national government. Therefore, it is important to ascertain the limited scope and role of local governments in the overall scheme of formulating and implementing the rural development policies in South Korea. A system of government that reflects the model of a popularly-elected council and executive body, as it is commonly known in the West, does not exist in South Korea.<sup>19</sup> The government agencies at the lower level, including the township (village), county (city Gu) or provincial (special city) levels, of course, conduct day-to-day business of governing. But these bodies are administrative agencies responsible to the central government, not directly to the people they serve. Any policy which local government agencies administer, including the rural development policy, is therefore

the responsibility of the central government, not that of the local government agencies.

The limited nature of local government agencies and their role in implementing policy decisions, including the rural development policies, has been described by a Western observer in these words:

Local governmental agencies in South Korea are tightly integrated into a highly centralized, bureaucratic administrative system directed from Seoul. Very little authority or initiative is delegated to provincial and county levels, where self-administration and the carrying out of directives from above are the principal functions... by and large they (officials) do not see themselves as representing or reflecting the opinions, desires, and needs of villagers in their districts. Rather they tend to be overwhelmingly concerned with finding ways of handling pressures from higher echelons for the fulfillment of predetermined plans and quotas.<sup>20</sup>

Participation at the grass roots and input from below to decision-making by the lower echelons of the government are, therefore, an exception rather than the rule in South Korea.

The centralized decision making in South Korea sometimes has the advantage of a seemingly thorough implementation of decisions which are made by the national government. Government decisions are issued as policies and commands which the provincial and local governments down the hierarchy are expected to carry out faithfully. Disadvantages of the centralized decision making, however, must be pointed out as they often include an excessive bureaucratism and reduced efficiency, generally associated with the lack of initiative and dedication by the lower echelon bureaucracy. The implementation of the rural development policies in Korea inevitably suffers from the difficulty of coordination among the various government units not only at the center but at the local level as well.<sup>21</sup> The government agencies responsible for formulating the agricultural and rural

policies, for instance, are the Economic Planning Board (EPB), Ministry of Agriculture and Fisheries (MAF), and Ministry of Home Affairs (MHA). Although the formulation of the rural development policies is vested in the hands of the agricultural ministry in close coordination with the EPB, the policy implementation is the responsibility of the home affairs ministry by virtue of its maintaining an extensive network of local government and administration, which is the jurisdiction of the MHA. Thus, the governors of the nine provinces in South Korea are "appointed" rather than "elected" positions and they are administratively responsible to the home affairs ministry. The implementation of the rural development programs is thus vested in the MHA, not the MAF.<sup>22</sup>

All the local organizations above the village level that are in some ways involved in rural development in South Korea are either governmental or quasi-governmental agencies. The common structural feature of these local organizations is a set of strong vertical linkages to higher-level organizations which eventually culminate in central organizations in Seoul.<sup>23</sup> This principle of centralization applies, therefore, not only to the local government system but to the quasi-government agencies as well, such as the agricultural cooperatives called the National Agricultural Cooperatives Federation (NACF). The importance of NACF in implementing the rural development policies in Korea lies in the fact that it can mobilize local support throughout the country. In 1972 there were more than 2.2 million farmers who became members of over 6,700 primary cooperatives which, in turn, were organized into 140 county cooperatives and nine regional branch offices of NACF.<sup>24</sup> The operation of NACF, however, suffers from the rigid tradition of centralism. Its operation is held accountable not sufficiently to the

public or the member cooperatives but to the whim and desire of the government officials who use it as an instrument for manipulating the market of food grains and agricultural commodities.

The centralized and hierarchical pattern of rural development policy making in South Korea also stems from the deep historical and cultural tradition of the Korean society. As Vincent Brandt, an anthropologist, observed:

Historically, in Korea, there has been a very high degree of centralization of prestige and power in the hands of a central bureaucratic elite that administered local areas through rigidly hierarchical organizations. Such traditions were reinforced and rationalized under colonial rule, and a good deal of the organizational framework and administrative procedure existing today has been derived from models imposed on Korea by the Japanese. Since 1945, efforts have been made to promote varying degrees of local autonomy, but at present there is virtually no popular participation either in the choice of local officials or in the formulation of the policies they implement.<sup>25</sup>

South Korea thus is characterized as a highly centralized political system. The political power and authority are concentrated in the hands of the national political elites in the center: local autonomy is not allowed and elections are not held. The officials of the provinces and "special cities" are centrally appointed rather than elected locally. This tradition of the central control of local governments makes South Korea an authoritarian political system in the opinion of many observers of South Korea.

South Korea is also homogeneous as a nation. Not only are the Korean people homogeneous as an ethnic group but they have the tradition of a long-standing history as a cohesive and unified nation producing a distinctive culture. No known minority group, for instance, exists in Korea to challenge the central authority, although local and regional factors have

historically played some role in the political life of Korea. This condition of centralization of government authority and homogeneity of culture led some students of Korea to claim that the vortex phenomenon exists in Korean politics. Thus, according to Gregory Henderson:

In Korea... the imposition of a continuous high degree of centralism on a homogeneous society has resulted in a vortex, a powerful, upward-sucking force active throughout the culture. This force is such as to detach particles from any integrative groups that the society might tend to build--social classes, political parties, and other intermediary groups--thus eroding group consolidation and forming a general atomized upward mobility.<sup>26</sup>

Centralization and homogeneity as characteristic marks of the Korean political culture perhaps led to the rise of definitive features of the Korean political system. The political marketplace in Korea provides an arena whereby the exchange relationship takes place between the center and the periphery or between the regime and the key sectors of the Korean society. These characteristics, translated into the language of the political economy and market processes, mean that the political arena in South Korea is "overly nationalized in scope" and "overly politicized in terms of the dominance of the periphery by the center."<sup>27</sup>

### III. THE RELEVANCE OF KOREAN EXPERIENCE

What lessons, if any, can we learn from the Korean example? In assessing the relevance of the Korean experience in rural development and developmental strategies, one is tempted to argue that the Korean case is unique and therefore not replicable. It reflects the peculiar circumstances of Korea as a divided nation politically and also as an East Asian country of the Confucian cultural heritage. This line of reasoning would suggest that the lessons of Korea may not be transferable to other LDCs in the

Third World. At the same time one can argue, however, that Korea belongs to a type of political system in the Third World which is commonly identifiable with attaining rapid economic growth, centralization of power and a military-dominant regime, the kind of Politico-economic system which is often referred to as NICs (Newly Industrializing Countries). The Korean experience may be of particular interest and value to the leaders of those countries in the Third World whose political system is characterized by a "command" type of political structure, not "polyarchic" or "bargaining" type. The "top-down and center-outward strategy" of rural development might work more efficiently for such countries in Asia, Africa and Latin America. Thus, this study may suggest some clue as to formulating the political economy rules of rural development and the center-periphery relationship in a centralized "command" type and authoritarian political system.

South Korea since her independence in 1948 has been authoritarian in politics, except for a brief interlude of the Second Republic (1960-61). Its politics has been authoritarian in the sense that no firm foundation and tradition of democratic rule has existed in the nation's history. The military has emerged through a series of coups to become the dominant institution and a powerful force in Korean politics. The military-civilian fusionist regime has emerged in Korea both in the Third Republic and the Yushin era (1961-79) and in the Fourth Republic era (1980 on). Under this authoritarian system the military transformed itself following the initial assumption of power into a nominally "civilianized" government through the clever manipulation of the electoral rules and conducting a constitutional referendum. The military-turned-to-civilian leadership has subsequently been in firm control of politics, permitting the government to be managed

by an army of civilian bureaucrats and technocrats who have now become coopted into the political structure.<sup>28</sup> In this sense the military-civilian fusionist regime in South Korea is not too dissimilar from the "Bureaucratic Authoritarian" polities that have been noted in some Latin American countries like Brazil, Chile and Mexico.<sup>29</sup>

Authoritarian civilianized military regimes generally enhance the legitimacy of their political rule through the successful implementation of programs directed toward attaining rapid economic growth.<sup>30</sup> To achieve the policy objective of economic growth the central government in these countries invests considerably in projects of national infrastructure building, such projects as the national highways, transportation and communication systems, educational systems, etc. It also invests its scarce resources in projects of administrative infrastructure building in the rural areas, such as initiating the self-help movement in the rural areas, signaling the shift in the developmental priorities, perhaps away from the "industrialization first and equalization later" to the simultaneous development of the industry and agriculture. This shift in emphasis results from the belated realization by the central government that the equalization measures, such as the rural development projects, would assist the less developed sectors of the economy and population, such as agriculture and rural residents. The welfare of the latter groups needs to be promoted by the central government so that the rural dwellers can catch up with the leading sectors of the industry and the urban dwellers who are the primary beneficiaries of the growth-oriented strategy of industrialization.

Based on the case study of South Korea's rural development strategies, a series of hypotheses regarding the center-periphery relations may now be

formulated, as follows:

1. In a centralized authoritarian political system, development programs in the periphery are formulated and executed more in accordance with the national government plans and less in terms of the local development needs and demands. (This does not preclude the possibility, however, that political symbols are often utilized and political strategies and tactics are widely employed to give an impression of authority devolution by the central government, in the form of urging and encouraging local initiative and self-help measures, such as the Saemaul Movement in South Korea in the 1970s).
2. Dispensation of the national resources to meet the local developmental needs is affected in a centralized political system by (a) the political will and determination of the political leadership at the center, (b) the perception of the local developmental needs by the national political elites, and (c) the estimation of opportunity costs (or alternative use of resources) by the national leadership, etc.
3. An exchange relationship prevails between the political regime at the center and the local communities in the periphery. The resources (political and economic) are traded between the center and the periphery. While the resources dispensed by the national government are primarily in the form of economic benefits (such as funds, grants-in-aid as well as preference of one region and locality over the others), the resources displayed by the local communities and organization are predominantly "political" in nature, including the enhanced support of the regime policies and programs as well as the heightened sense of legitimacy.
4. The relationship between the center and the periphery organizations

in a centralized political system is typically "asymmetric and unequal" in nature. This means that the exchange relationship between the center and the periphery in a "command" type political system takes place not under the conditions of a free market but of a monopoly of authority by the central government.

#### IV. CONCLUSION

A survey of the literature of developmental studies indicates that two polarized and mutually exclusive strategies for national development are generally open to the government elites in the LDCs. These two theoretical alternatives for developmental strategies and planning are (1) "development from above" and (2) "development from below." The first is sometimes called the "top-down" and/or "center-outward" development paradigm, while the second is often called the "bottom-up" and/or "periphery-inward" developmental paradigm.<sup>31</sup> Experts and policymakers debate as to which of these two divergent approaches to rural development in LDCs is best suited to the needs of developing countries.<sup>32</sup>

Insofar as the Korean experience is concerned, the country has pursued the line of the "top-down" and "center-outward" developmental strategy for achieving rural development objectives in South Korea in the three five-year economic development plan period (1962-1976). It is obvious that "the development from above," rather than "the development from below," was adopted as the strategy for rural development in the initial stage of planned economic development in the 1960s, primarily as an integral part of the overall strategy for developing the national economy. It is also clear that the centralization of power and the hierarchical organization of authority in the Korean political system, that is rooted deeply in Korea's

political culture and history, tended to lend itself to the support of the style of "top-down" rather than "bottom-up" approaches to rural development policymaking and implementation.

As the economy began to transform itself from the dominantly agricultural to increasingly industrial in the 1970s, however, the national government elite was compelled to rectify the situation of inequity in income and disparity between the urban and rural sectors of the economy. Thus, the rural self-help and development programs called the Saemaul Movement were actively promoted by the central government starting early in the 1970s, with a noticeable result in terms of enhancing the economic status and the quality of life for many rural residents.<sup>33</sup> This policy of delayed response to rural developmental needs was consciously and deliberately pursued by the political elite in their strategy for accelerated industrialization of the economy through export-expansion, although the political culture of centralization has had a reinforcing influence.

From the standpoint of the political economy consideration, the "top-down" strategy for rural development may not be the most efficient and effective way of bringing about the welfare to the rural population, if such is, indeed, the policy objective of the policymakers at the center. With the continuous transformation of the society, changing from the predominantly agrarian and rural to an industrial and urbanized society, the rural population must be given the participatory role in the task of building a modern society. Without giving this role of participation in the political process, which is possible only through the "bottom-up" and the "development from below" or "periphery-outward" approaches, the edifice of economic development attained may not last or prosper continuously.

How to move therefore from the "top-down" to the "bottom-up" approach to rural development in South Korea remains a challenge. For unless the authoritarian center-down bias in allocation of national resources is corrected, the discontent and sense of deprivation and inequity among the rural population in Korea sooner or later will become so explosive as to be impossible to contain. It is not so much the improvement of the peasant's status in the absolute sense, as compared with the by-gone eras, as the sense of relative deprivation as compared with their kinfolk in the cities and urban areas that will fuel the desire and expectation of the rural residents. The failure to satisfy this expectation will create the atmosphere of heightened tension and crisis which can only resolve itself through a popular political movement in demanding rectification of inequity and a revolution of the existing order.

## FOOTNOTES

1. The literature on the economic development of South Korea, written in English, is rapidly increasing. For the best overview of an overall economic growth of South Korea prior to 1976, see: Paul W. Kuznets, Economic Growth and Structure in the Republic of Korea (New Haven: Yale University Press, 1977). Also, see various World Bank Country Economic Reports on Korea including: Parvez Hasan, Korea: Problems and Issues in a Rapidly Growing Economy (Baltimore: The Johns Hopkins University Press, 1976) and Parvez Hasan and D.C. Rao, Korea: Policy Issues for Long-Term Development (Baltimore: The Johns Hopkins University Press, 1979). For discussion of South Korea's strategy for economic development, see a series of publication called "Studies in the Modernization of the Republic of Korea: 1945-1975" published by the Council on East Asian Studies of Harvard University and also by the Korea Development Institute in Seoul. The quotes here come from Hasan and Rao, Korea, pp. 3-4.
2. Hasan and Rao, p. 4.
3. Ibid.
4. The Seoul government's food policy, including the grain purchase and resale program, has been examined in: Dong Suh Bark and Young Whan Kihl, "Shikryang Jongch'ekui Kyolchongkwa Kuchehwa: Han'gukui Kyongwu (Food Policymaking and Its Implementation: The Case of South Korea), Korea Journal of Public Administration 17-1 (1979), pp. 214-234.
5. For discussion of the overall economic development and the government policy to guide the developmental process in South Korea, see: Edward Mason et. al., The Economic and Social Modernization of the Republic of Korea (Cambridge: Harvard University Press, 1980), especially, pp. 464-500.
6. On rural development and government policy on agriculture in general, see: Sung Hwan Ban et. al., Rural Development (Cambridge: Harvard University Press, 1980). Also, on the rationale behind the Saemaul Undong (New Community Movement)

inaugurated in 1970, see: Young Whan Kihl, "Politics and Agrarian Change in South Korea: Rural Modernization by 'Induced' Mobilization" in Raymond Hopkins et. al. (eds.), Food, Politics and Agricultural Development: Case Studies in the Public Policy of Rural Modernization (Boulder: Westview Press, 1979), pp. 133-169.

7. Hasan, Korea, pp. 159-64.

8. Hasan and Rao, Korea, p. 43.

9. As cited in Kihl, Politics and Agrarian Change, p. 137. Korean Agriculture: Present and Future (Seoul: Ministry of Agriculture and Fisheries, 1975), p. 32.

10. An average per farm landholding is 1.13 hectares in Japan and 1.06 hectares in Taiwan. For these and other statistics, see: Nonchong Such'op (Agricultural Policy Handbook) (Seoul: Ministry of Agriculture and Fisheries, 1977), p. 116, 106.

11. Hasan and Rao, Korea, p. 6.

12. Ibid.

13. This and other related information on Korean agriculture are derived from: George E. Rossmiller, et. al., Korean Agricultural Sector Analysis and Recommended Development Strategies, 1971-1985 (Seoul: Ministry of Agriculture and Fisheries and East Lansing: Michigan State University, 1972), p. 22. To be cited, hereafter, as KASS.

14. Ibid.

15. On problems of urbanization in Korea, see: Edwin S. Mills and Byung-Nak Song, Urbanization and Urban Problems (Cambridge: Harvard University Press, 1979). Also, see: Yang-boo Choe, "Dynamics of Rural-Urban Relations and Rural Underdevelopment: The South Korean Experience," Mimeographed. Seoul, Korea.

16. On regional geography and contrast in South Korea, see: Patricia M. Bartz, South Korea (Oxford: Clarendon Press, 1972).

17. Ibid., p. 181.
18. Ibid.
19. On a useful survey of local government institutions in South Korea, see: Ronald Acqua, Local Institutions and Rural Development in South Korea, a publication of Rural Development Committee of the Center for International Studies, Cornell University (Ithaca: Cornell University, 1974).
20. Vincent Brandt, "Local Government and Rural Development" in Sung Hwan Ban, Rural Development, Op. Cit., pp. 260-282, 260.
21. This question is elaborated further in: Young Whan Kihl and Dong Suh Bark, "Food Policies in a Rapidly Developing Country: The Case of South Korea, 1960-1978" The Journal of Developing Areas (forthcoming).
22. Ibid.
23. Acqua, Op. Cit., p. 22.
24. Kihl and Bark, Op. Cit.
25. Brand in Ban, Op. Cit., p. 261.
26. Gregory Henderson, Korea: The Politics of the Vortex (Cambridge: Harvard University Press, 1968), p. 193.
27. Warren F. Ilchman and Norman Thomas Uphoff, The Political Economy of Change (Berkeley: University of California Press, 1969), pp. 96-99.
28. This question is examined further in: Young Whan Kihl and C.I. Eugene Kim, "The Political Economy of Military Regimes in Selected Asian Countries: Indonesia, Thailand, So. Korea and Taiwan," Prepared for presentation to the 1981 Annual Meeting of the American Political Science Association, New York, September 3-7, 1981.
29. On the subject of authoritarianism, see: Guillermo O'Donnell, Modernization and Bureaucratic-Authoritarianism: Studies in South American Politics, Institute of International Studies, University of California (Berkeley: University of California, 1979). Also, see: David Collier (ed.), The New Authoritarianism in Latin

America (Princeton University Press, 1971).

30. Victor Olorunsola, Soldiers and Power: The Development Performance of the Nigerian Military Regime (Stanford University: Hoover Institution Press, 1977).

31. On the survey of the literature and a useful anthology of the regional development strategy issue, see: Walter Stohr and Fraser Taylor (eds.), Development From Above or Below? The Dialectics of Regional Planning in Developing Countries (New York: John Wiley and Sons, 1981).

32. For instance, see: Uma Lele, The Design of Rural Development: Lessons from Africa (Baltimore: The Johns Hopkins University Press, 1975), and William Murcoch, The Poverty of Nations: The Political Economy of Hunger and Population (Baltimore: The Johns Hopkins University Press, 1980).

33. On the Saemaul Movement in Korea, see: Toward A New Community: Reports of International Research-Seminar on the Saemaul (Seoul: Institute of Saemaul Undong Studies, Seoul National University, 1981).

- No. 15 Joel D. Barkan, Frank Holmquist, David Gachuki, and Shem Migot-Adholla, "Is Small Beautiful? The Organizational Conditions for Effective Small-Scale Self-Help Development Projects in Rural Kenya"
- No. 16 Chong Lim Kim, "The Korean Legislative Process: An Overview"
- No. 17 Young Whan Kihl, "Rural Development Policy and Strategy in South Korea: Political and Economic Considerations"
- No. 18 Frank Holmquist, "State, Class, Peasants and the Initiation of Kenyan Self-Help"
- No. 19 David Gachuki, "Harambee in Kenya: A Case for Its Regulation"