



Saemaul Undong (New Community Movement): Korea's National Community Development for Rural Modernization

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With the Saemaul Undong (New Community Movement), rural Korea was fundamentally transformed in the 1970s. The average income of farm households increased by more than 8 times from 1970 to 1979 (Ministry of Home Affairs 1980). The rate of absolute poverty dropped from 27.9% in 1970 to 9.0% in 1980. The straw-thatched roofs, the symbol of rural poverty, were replaced with tiles or slates. The rural electrification rate increased from 20% in 1970 to 98% in 1977 (Park 1998). Drinking water supply system was substantially improved. Most notably, with the expansion of village roads and bridges built by themselves, villagers saw buses or cars coming into their villages for the first time. For this achievement, the records of the Saemaul Undong are registered as the Memory of the World by UNESCO.¹

1. Initial Conditions

1.1. Situational Analysis and Problem Setting

The first and utmost problem of rural Korea in 1970 when the Saemaul Undong started was absolute rural poverty and the income gap between urban and rural areas. During the period of industrialization

¹ <http://www.unesco.org/new/en/communication-and-information/flagship-project-activities/memory-of-the-world/homepage/>

in the 1960s, the income gap between the urban and rural areas quickly increased. Most rural areas suffered from seasonal starvation every year. During the long winter season, farmers did not have work, so most farmers spent their time drinking and gambling. This aggravated rural poverty during the winter season. Because of severe rural poverty, there was a great deal of rural migration to cities, which resulted in serious over-urbanization. Slums were quickly formed within major cities. One urban riot in 1971 was a clear evidence of the acute urban problems in Korea which resulted from the rural-urban mass migration.

In addition to absolute poverty, rural villages in Korea had many problems: extremely narrow village roads, lack of adequate bridges, sanitation problems, lack of healthy drinking water supply systems, shortage of fuel materials from the denudation of mountains, lack of electrification, etc. The Saemaul Undong adopted an integrated and comprehensive approach to tackle these problems at the same time. It was necessary to have cooperation of villagers in order to cope with these problems successfully. The cooperation between the government and village was also a prerequisite.

1.2. Political Economy in both National and International Context

As mentioned earlier, the rural exodus aggravated Korea's urban problems. Unsatisfied farmers who were excluded from the benefits of industrialization became a potential social problem. These factors pressured the government to come up with a broad-based and inclusive growth policy. In addition, the cold war politics between South and North Korea over the Korean peninsula was one of the reasons for the necessity of broad-based and inclusive growth (Chung 2010).

There were some positive factors which enabled the government to launch its ambitious Saemaul Undong. The first one is the successful experiences of rural development of the 1960s. The development of agricultural extension services and nationwide network of agricultural cooperatives became important tools for the success of the Saemaul Undong. In addition, specific rural development programs such as the Income Increasing Special Programs and the Community Development Programs in the 1960s led to remarkable income increase and poverty reduction (Han 2012, 2013). The second is the successful industrialization. Industrialization enabled the government to invest more in agriculture and the rural society. Third is the successful reform of the tax administration which enabled the Korean government to secure fiscal soundness and macro-stability and to actively pursue rural development in the 1970s (Kim 2013).

To gradually be independent from the international market, the government needed the saving on foreign currency by the self-reliance of food supply. For this purpose, the government was very eager to improve its agricultural productivity which was one of the goals of the Saemaul Undong.

2. Policy Framework and Institutional Structure

2.1. Government Decision-making Process/Priority Setting Context

The central government of Korea gave high priority to the Saemaul Undong. The government introduced the State Council for the Saemaul Undong. The State Council meetings, which the President chaired and Ministers of various government departments attended, served the purpose of formulating Saemaul Undong policies and monitoring the results. To support the State Council for the Saemaul Undong, a separate department for it was created in the Ministry of Home Affairs which was the central agency to support and monitor the Saemaul Undong (Goh 2010).

In addition, the Monthly Economic Trend Report Meeting which played an immensely important role in the process of Korea's development was used to spread the vision and mission of the Saemaul Undong among top leaders of the government. In monthly meetings, two successful cases of the Saemaul Undong were presented. After the presentations, the President talked with the leaders of successful cases and encouraged them.

The role of the local governments could not be overemphasized. The Saemaul Undong became the top priority of the local governments. In the county, a new office or the vice-county mayor in-charge of the Saemaul Undong was created. Each city, county and sub county created a new Bureau of the Saemaul Undong Affairs. The Saemaul Undong changed the attitude of local officials; they no longer lorded imperiously over villagers but instead worked shoulder to shoulder with them to ensure the success of Saemaul Undong projects. Saemaul village leaders were given the special right to visit county offices, which was also a remarkable progress in the Korean society. This created synergy and symbiosis, leading to effective project implementation. Also, it contributed to enhancing the capacity of local administration.

2.2. Strategy, Structure, and Rivalry

1) Broad Based and Inclusive Growth

Although it aimed to increase the income of rural households, the Saemaul Undong was conducted as a nationwide campaign that targeted all villages. Even though the government emphasized competition among villages, it offered special education so that no villages were left out. In terms of village level participation, the Saemaul Undong was broad-based and inclusive as well. As the government had a national development plan, the village development committee developed specific plans to help each household reach its income increase target. Preferential measures were introduced to help poor farmers, which showed the inclusiveness of Saemaul Undong projects.

2) Integrated Development Strategy

The Saemaul Undong was an integrated program of attitudinal change, increased income, and rural infrastructure improvement. In the beginning, villagers lacked both the will to improve their lives with their own hands or any positive prospect about the future as they were exhausted and burned out after decades of poverty and social alienation. Thus, one of the most important achievements of the Saemaul Undong was that villagers had got the confidence of 'can-do'. This attitudinal change developed into income increase projects and the living environment improvement projects.

3) The Income Increase through Various Innovations

Since the Saemaul Undong aimed to overcome chronic rural poverty, the goal of the movement was income increase. The government and the village development committee worked together to find more employment and investment opportunities to increase the income of farmers. For this, the Saemaul Undong utilized various methods such as grassroots innovation, employment creation, government-village partnerships, independent self-directed development, and the income reinvestment project, etc. All these methods were to increase the income of villagers.

4) The Village Initiative as the Community- driven Development

The villagers had the initiative for their village developments in the Saemaul Undong. All the important things were discussed in the village assemblies or village development committees.

Villages in Korea have long been characterized by their tight social bond based on the concept of the same hometown and kinship networks. Villages traditionally selected their own leaders, held meetings to settle problems, and developed various institutions of trust and cooperation (Reed 2010; Goh 2010). With the rise of the Saemaul Undong, traditional cooperation and trust were transformed into development-oriented ones (Han 2012, 2013).

2.3. Policy Support Mechanisms—R&D, Technology, and Demand Sides

The government had taken many supportive policies for the success of the Saemaul Undong.

1) Land Reform and Land-to-the-tiller Policy

For farmers, land ownership was a keen interest. Farmers' land- ownership enabled farmers to get the fruits of their labor. Since Korea executed the land reform in the 1950s and had taken a very strict policy of "land-to-the-tiller," the policy helped the Korean society to preserve farmland and to prevent farmers from losing their land to urban investors.

2) Investment in Agricultural Infra, Research and Extension Services

Since the 1960s, the Korean government had increased its investment in agriculture: irrigation, electrification, farmland rearrangement, etc. Investment in agricultural research increased as well. This investment made the Green Revolution possible in rural Korea. In addition, the nationwide development of agricultural extension service centers was noticeable. Every county had one extension service center which played an important role for the implementation of the income increase projects during the Saemaul Undong.

3) The Nationwide Network of Agricultural Cooperatives

Since the 1960s, Korean farmers had had the National Agricultural Cooperatives to the sub-county level. The National Agricultural Cooperatives helped farmers to buy agricultural materials or tools and to sell agricultural products. In addition, it had the function of the agricultural bank which provided farmers with low interest loans.

4) The Education of Saemaul Village Leaders

For the nationwide broad based movement, it was unrealistic to have so many outside-professional leaders for every village. To solve this problem, the government adopted a new approach: finding Saemaul village leaders among villagers and training them as voluntary leaders. Every village had two Saemaul leaders: one male, one female. For their education, the government opened the Saemaul Leaders Training Institute.

3. Implementation Issues and Overcoming Bottlenecks

3.1. Policy Programs or Initiatives Implementation Process

The Saemaul Undong started in 1970. In April, President Park Chung-Hee emphasized the necessity of a nationwide campaign to eradicate chronic rural poverty and the income increase of farmers. In late fall, 1970, the government distributed 335 bags of cement to each village so that villagers could implement village projects during the winter off-season. The villagers decided which village projects to work on at the village assemblies. Village projects were accomplished with the given construction materials and villagers' labor, i.e. in the format of public- private partnership. After reviewing the achievement of the first year, the government found that only half of the villages accomplished satisfactory achievements, while the other half did not. The government gave more support only to the successful villages in the second year than in the first year. Surprisingly, half of the failed villages, however, implemented the Saemaul projects with their own resources, which showed the possibility of self-help movements.

In 1973, the government revised the National Awards and Decorations Act so that the state honors and decorations could be awarded to Saemaul leaders. The Saemaul leaders who worked hard for income increase for themselves and their fellow villagers received the Saemaul Awards. With the establishment of the Saemaul Leaders Training Institute in 1972, many Saemaul village leaders were trained.

The central government and the local governments established separate departments which were responsible for the Saemaul Undong. For the success of the Saemaul Undong, the government

emphasized the self-help and inter-village competition. According to the annual evaluation of the achievements, the villages were classified into three categories: basic, self-help, and self-reliant village (most advanced). Based on the principle of performance-based support, the government gave priority support to the successful villages.

In 1973 and 1975, special programs were introduced. In 1973, the Income Reinvestment Project was introduced to support the income increase of farmers and the establishment of the village development fund. And in 1975, the Saemaul Leaders Training Institute introduced a unique program for less advanced villages under which the Saemaul village leaders of those villages could have a chance to live in advanced villages to get on-site and practical lesson from their fellow leaders.

3.2. Stakeholder Analysis

The most important stakeholders were the government and the villages.

The government substantially increased its investment in rural modernization in the 1970s. It operated its nationwide agricultural extension service centers. In addition, separate departments for the Saemaul Undong were introduced both in the central and local governments. The government established the Saemaul Leaders Training Institute for capacity building of Saemaul village leaders.

The village actively participated in the Saemaul Undong. Through public and private partnership, villagers clearly showed their spirit of self-help and cooperation.

The National Agricultural Coops was one of the stakeholders. It provided farmers with low interest loan and helped farmers to purchase industrial goods and to sell farm products.

3.3. Challenges/Bottlenecks

There were many challenges for the Saemaul Undong like other rural development programs in the developing countries. First, we might think of delivery problems. In the 1970s, road conditions and networks were very poor. Second, bureaucratism should have been overcome. Third, voluntary participation of villagers and capable local leaders were desperately needed. Fourth, corruption prevention and transparency were required to succeed. Fifth, good evaluation was necessary so that the benefits of the movement could belong to the farmers.

3.4. How these Bottlenecks were Overcome

1) Delivery

For the efficient delivery of policy goals and materials, the role of local governments was emphasized; their responsibility for the delivery of the construction materials and other resources from the government to the village was articulated in detail. Because of the poor road conditions at that time, the government worked hard so that the materials could arrive in the village on time. The central government monitored the achievement of local governments in supporting the villages and delivering the materials or policy goals. The village assembly played an important role in efficient and effective delivery. What was delivered to the village from the government was reported at the village assembly. Records of project progress and expenditure were written daily and then confirmed by the village administrative head, the Saemaul village leader and its staff. When a project was finished, the final reports were publicly announced at the village assembly.

2) Bureaucratism

The government used diverse ways to combat possible bureaucratism. At the central level, it utilized the presentation of success stories at the Monthly Economic Trend Report Meetings. It also asked the government officials to get Saemaul Training at the Saemaul Leaders Training Institute. Most importantly, the government kept efficient communication with village leaders through letters, visits, or phone calls, which functioned as a warning system toward 'bureaucratic officials'. In addition, the scores of the local government officials in supporting the Saemaul Undong in their areas were used for the review of their promotion.

3) Participation and Capacity building at the Village

It was required that important things should be reported and decided at the village assembly to secure active participation. In addition, the government advised the village to select Saemaul projects which would benefit most of the villagers. Material incentives including income increase were the most important factors in selecting a project item. Most importantly, the capacity building of rural village leaders was greatly emphasized since the Saemaul Undong was implemented at the village. The Saemaul Leaders Training Institute took the responsibility of training. Female as well as male leaders got a very precious chance of leadership development. They learned how to operate businesses,

to hold meetings, and to manage conflicts. Education of female village leaders was an outstanding achievement for women empowerment in Korea.

4) Transparency, Monitoring, and Evaluation

The governance of village leadership, the village development committee, and the village assembly contributed to the prevention of corruption at the village level. In addition, villages were required to keep detailed records of projects and meetings. The local government meticulously audited the village records and made on-site inspection to prevent corruption at the village level when necessary. For the success of the Saemaul Undong, this monitoring worked together with the comprehensive and systematic evaluation of the achievement of villages. The government made annual evaluations in the area of income increase, cooperation, living environment improvement, etc.

4. Outcomes/ Results

4.1. Outcomes and Performance of Policies and Initiatives

1) Poverty Reduction and Income Increase

Throughout the Saemaul Undong, the most impressive achievement was the rapid increase of rural income and poverty alleviation. The rural income increased 8.7 times from 1970 to 1979. The rural income surpassed the urban income in 1974, the fourth year of the Saemaul Undong (Ministry of Home Affairs 1980). Although other policies contributed to the income increase of farmers (Park 2009; Reed 2010), the Saemaul Undong played the essential role in the income increase.

2) The Improvement of the Living Environment and Rural Infrastructure

By the early 1970s, the village roads or feeder roads were so narrow that even hand carts could not be used. For the improvement of agricultural productivity and for better accessibility to the outside world, these bottlenecks were removed by the Saemaul Undong. In addition, the drinking water supply system, kitchens, and toilets were modernized and thatched roofs as the symbol of rural poor were replaced with tiles or slates.

4.2. Impact for Growth and Development

1) Capacity Building for Rural Village Leaders

Although some villages and village leaders from the outset showed their potential for successful community-driven development in the various projects of income increase projects or employment creation projects, most village Saemaul leaders were found and educated during the Saemaul Undong (Han 2013).

2) Women Empowerment

The Saemaul Undong provided rural women with an opportunity to officially participate in social activities and to engage in the government. There were many outstanding female Saemaul leaders who took initiative in income increase projects, crossing gender boundaries (Han 2013).

3) Reforestation and Green Revolution

One of the most successful achievements of Korea's modernization is the reforestation project. Villagers participated in reforestation projects to get their labor income. The green revolution could not have been successfully spread throughout rural Korea without the Saemaul Undong (Kim 2013).

4.3. Other Political, Economic or Social Impacts

4) Social Capital

Surveys show that trust, cooperation, and community efficacy improved through the Saemaul Undong (Park 2009; Goh 2010; Kim 2013). Village meetings, village development organizations, and effective monitoring contributed to the development of social capital, which resulted in the prevention of corruption and the success of the Saemaul Undong.

5) Capacity Improvement of Local Governments

There are other important results that cannot be ignored: the capacity of local governments and the improvement of the government-village relationship. In the process of supporting Saemaul projects, the local government became more responsive to villagers and Saemaul leaders.

5. Lessons Learned

5.1. What and How They Have Done Differently

1) Supportive Partnership of the Government and Farmers

The supportive relationship between the government and village led to overcoming possible bureaucratism and communication problems in the Saemaul Undong. In addition, the commitment of the top leader of the country, the cooperative governance among various ministries, and the improved capacity of the local governments were conducive to the development of the supportive partnership.

2) The Enhanced Empowerments of Farmers and Rural Communities

In the Saemaul Undong, capacity of farmers and communities were enhanced a lot. At the village level, diverse associations and meetings were introduced to enhance villagers' participation. Village meetings were very vibrant and active. Even if the villagers lacked capacity, it was important to select trusted leaders among villagers. Then it was necessary to give them opportunities for their capacity building, i.e. leadership education.

3) The Broad-based and Inclusive Growth

For the sustainability of the Saemaul Undong, the broad-based and inclusive growth was necessary. The Saemaul Undong targeted income increase and living environment improvements for all villages. The Korean government utilized both the broad-based inclusive growth and performance-based support policies.

4) Effective Monitoring and Corruption Prevention

There is no solid evidence on the romantic optimism for 'community'. Community failure is not uncommon. Due measures should be taken so that community failure could be avoided. In the Saemaul Movement, many diverse measures were introduced to prevent community failure.

5.2. Why They Have Chosen This Way and What Other Countries could Learn from This

More than half of the population lived in the countryside with severe poverty. It was imperative for the government to launch a broad-based and inclusive development program. The capacity of the government, however, was very limited and the dependence of the villagers on the government was not desirable for sustainable development. Thus, the government adopted the government and village partnership strategy. Under this partnership, the government emphasized the spirit of self-help and cooperation among villagers. In supporting the village projects, the government adopted the principle of performance-based support. These principles of partnership, competition, and performance-based support helped the government to effectively monitor the development of the Saemaul Undong and to avoid the possible corruption and abuse of provided resources.

5.3. Other Implications and Limitations

The initial conditions will be different among countries. Korea had some favorable conditions: the successful land reform, the land-to-the-tiller policy, the closely knit community, the tax administration reform, the capable developmental state, and the expanding national economy. Most notably, thanks to Korea's successful and rapid export-based industrialization, the government could make significant investments in the rural sector (Reed 2010).

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