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Master's Thesis of International Studies

**Compare and Contrast Rural
Development Movement in Japan,
Korea, and China**

— Focusing on the Governance and Financial Structure —

한중일 지역발전운동의 비교

— 거버넌스와 재정 구조를 중심으로 —

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Abstract

Compare and Contrast Rural Development Movement in Japan, Korea, and China — Focusing on the Governance and Financial Structure —

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Development of rural area has remained as a task for many governments since it is crucial for the economic growth and development of the country as much as successful urbanization. This is because the rural area plays significant role in the country's economy by providing food and labor to industrial sector, and still large amount of people (especially in developing countries) are living in the rural and agricultural sectors.

Like other states, three countries located in Northeast Asia; Japan, Korea, and China, has been multidimensionally influenced and been influenced by each other. Their rural development movement was no exception. Although they were conducted in different time period and backgrounds, in this paper I would take a look at overall scope of each movement especially in terms of governance and financial structures.

It was notable that although those three countries were culturally and territorially closed, there was no common feature that penetrates all movements. In terms of governance structure, whereas Chinese movement (New Rural Reconstruction Movement) was based on 'Top-down' approach and forced participation, Japanese movement (Economic Rehabilitation Movement) had characteristics of 'Bottom-up' structure, based on volunteered engagement of each villages to the program. Also, Korean experience (Saemaul Undong) was interesting since it had both 'Top-down' and 'Bottom-up' natures, respecting autonomy of each villages. This characteristic was sustained in support of its financial structure that the government and village equally financed for the project for the village.

Based on the comparative research, I derived three implications for further implementation of rural development plan in developing countries. First, conducive environments, such as low illiteracy rate and healthy government financing structure, is required for successful implementation. Second, when the prerequisites are accomplished, governance structure between government and village level and within village level is also significant. Lastly, establishing good financial structure helps fostering ownership of villagers and contribute to sustainable development of the rural areas.

Keyword: Rural Development Movement, Economic Rehabilitation Movement, Saemaul Undong, New Rural Reconstruction Movement, Governance, Financial Structure

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List of Abbreviations

CDD	Community-Driven Development
CPC	Communist Party of China
ERM	Economic Rehabilitation Movement
HIC	High Income Countries
LIC	Low Income Countries
LMC	Lower Middle Income Countries
MIC	Middle Income Countries
NRRM	New Rural Reconstruction Movement
ODA	Official Development Assistance
SMU	Saemaul Undong
SRP	Saving Reinvestment Program
UMC	Upper Middle Income Countries
VDC	Village Development Committee

1. Introduction

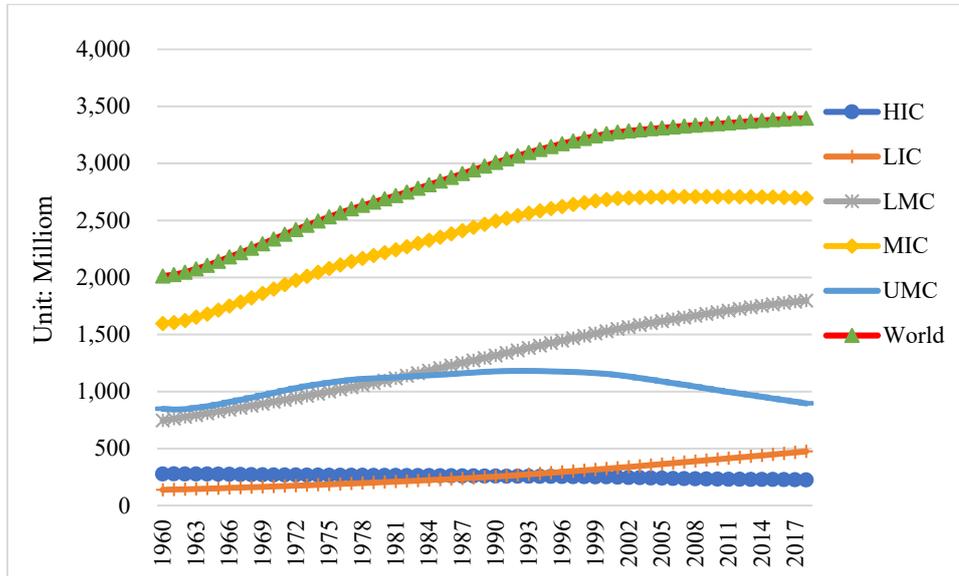
1.1 Research Backgrounds

1.1.1 What is Rural Development?

Although successful urbanization and structural transformation from agricultural society to manufactural society have been considered as a key for economic development, encouraging development of rural area remained as a task for many governments. This is because the rural sector plays a significant role in a country's economy by supplying food and labor for the industrial sector, and still many people are living in rural area and most of those rural populations are remained poor and less developed (Arimoto, 2012).

Chart 1 shows that rural population in poorer countries (LIC, LMC, and MIC) has been growing along with the world trend, whereas the rural population in richer countries (UMC, HIC) has been decreased since the late 1980s. Thus to pursue economic development of the country, it can be said that it is necessary to put efforts not only on the fast urbanization and sectoral transformation, but also on rural development, so the country can go through balanced growth among the nation. That's why many developed counties and fast growing countries had their own rural development plan for future growth.

Figure 1. Number of Rural Population¹



World Bank defined rural development as “a strategy designed to improve the economic and social life of a specific group of people— the rural poor” (World Bank, 1975). Also, they said that it includes extending the benefits of development to the poorest, such as small-scale farmers, tenants and the landless, among those who seek a livelihood in the rural areas (World Bank, 1975).

However, although rural development plan shares the same ultimate goal of reducing poverty of rural population, if there are hundred countries,

¹ Source: Edited from World Bank Data <https://data.worldbank.org/indicator/SP.RUR.TOTL>

Note: Rural population refers to people living in rural areas as defined by national statistical offices. It is calculated as the difference between total population and urban population.

there would be hundred strategies, which means, each countries adopt and implement a strategy based their own historical backgrounds and circumstances. That means, there could not be a one correct way to develop rural areas. However, having a research about successful or unsuccessful cases of rural development would be necessary and helpful for planning a rural development strategy, since the country can learn something from the past experiences of others.

1.1.2 Why Japan, Korea, and China?

Japan, Korea, and China are not only physically close to each other, but also culturally, socially, and economically intertwined to each other. Historically, those three countries have influenced and have been influenced each other multidimensionally. In addition, they suffered rural underdevelopment in the past (or suffering until present) and have implemented their own styled rural development movement to recover their rural areas.

Among them, Japan and Korea are classified as a high income countries (HIC), and China is categorized as a upper middle income countries (UMI). Also, Chinese government has put high emphasis in developing rural areas, since the huge gap between urban and rural areas has been pointed as one of the main factor that negatively affect China's future growth. However, their rural

development movement initiated from the 21st century did not bring clear improvements in rural areas, and the urban-rural gap remained immense. Therefore in this paper, by doing comparative research about the weakness and strength of each countries' rural development strategies, I will derive three implications for further implementation of rural development plan in developing countries including China.

1.2 Methodology

To derive implications for recent Chinese rural development movement, I would conduct a comparative study among Japan, Korea, and China's rural development movements based on literature review and data analysis. Due to those three countries' interaction and historical relations, there have been lots of researches about their rural development plan and movements and comparative studies. However, trilateral comparison among them was conducted less often than bilateral comparison among them and other countries. Since a country's rural development movement plan affects inclusively around the village and nation, it is difficult to analyze overall features and policies of each strategies.

Thus, in this paper, I would focus on Japan, China, and Korea's rural development movements' governance and financial structure and their significance and influence on the consequences of each movement. In the next

main body part of this paper would be divided into three parts, Japan, Korea, and China's rural development movement, and each of them would be consisted with background, governance structure, and financial structure of each of them. Then in the conclusion, summarizing all researches focusing on compare and contrast would be done, and based on those comparative study, there would be several implications for further rural development movement in other developing countries.

1.2.1 Criteria for Comparison

Since the movements of each countries conducted in different time period and different environment, it is crucial to have proper criteria of comparison for clear results. In this paper, I would concentrate on the governance structure and financial structure of the movements.

Governance of the movement is crucial because it has great influence on the consequence of the movement by determining the structure of decision making, accountability, and way of how the organization set and achieve the goal of it. Having a good governance structure would provide a foundation for the organization could high-perform. Furthermore, governance structure between the central government and the organization that implementing the rural development strategy also matters, in addition to the governance structure

within the implementing organization. For instance, if the relationship is based on the bottom-up structure, it is more easier to reflect the local needs of the rural areas, but at the same time, there would be lack of harmony with other local areas, so it could disturb implanting the mass country-level rural development plan in a short time. In contrast, if the relationship is based on the top-down structure, it would be helpful to implement an extensive country-scaled development plan, but various characteristics and demands of each different rural areas would be less reflected on the plan. The governance within the rural organization also matters, since the efficiency and success of the movement largely depending on it. To be specific, the decision making process and accountability structure would varies depending on whether the organization is operated along with one leader or group of people with different duties.

On the other hand, financial structure also has great influence on the efficiency of the movement. There is no organization that could sustain without financial support towards it. If the organization largely depends on the financial support from external source, it is natural that the financial supporter determines the organization's behavior. However, if the organization has its own source of finance, for example village-level fund that could only use for village's own development purpose, it would be more likely for the village to

conduct the project for their own benefit regardless of external pressure. Also, it would help to strengthen the sustainable development of the village as well.

For this reason, the governance structure and financial structure of the rural development movement of those three countries would be used for comparison criteria for this comparative study.

In the next body part, the rural development movement of Japan (Economic Rehabilitation Movement, 1930s), Korea (Saemaul Undong, 1970s), and China (New Rural Reconstruction Movement, 2000s) will be researched in sequence. Each body will be consisted of three parts, overview and background, governance structure, and financial structure of the movement.

2. Japanese Rural Development Movement (1930s)

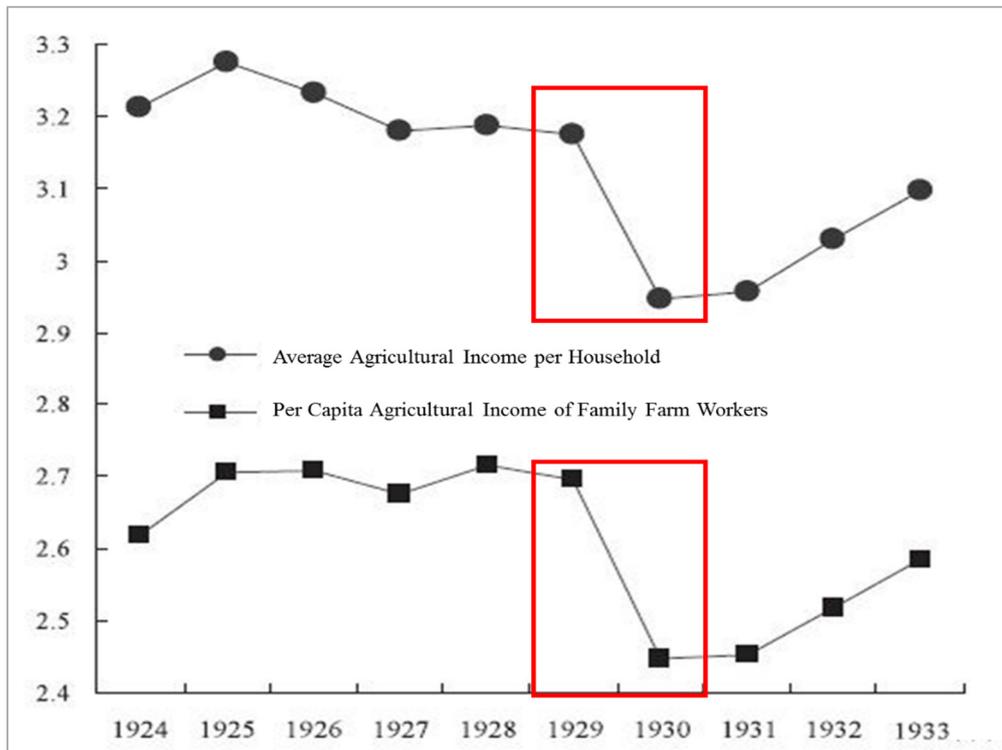
2.1 Overview

2.1.1 Background and Major Strategies

After the World War I, Japan has suffered from serious economic damage of rural villages due to the Great Depression. The Depression also caused significant shocks in rural Japan, including farm income shock derived from rapid decrease in the prices of farm products, and farm asset shock which means decrease in farm assets (T. Fuije, T. Senda, 2011). Figure 2 below showed the drastic decrease of agricultural income in the early 1930s due to the shock of the Great Depression.

Japanese government implemented the rural development movement called Economic Rehabilitation Movement(hereafter ERM), also known as Participatory Rural Development Program, in 1932 to help the recovery of the rural villages from the damages of the Great Depression by improving rural income, reducing the costs of living and production, and liquidating accumulated debts (Arimoto, 2012).

Figure 2. Impact of the Great Depression on Agricultural Income²



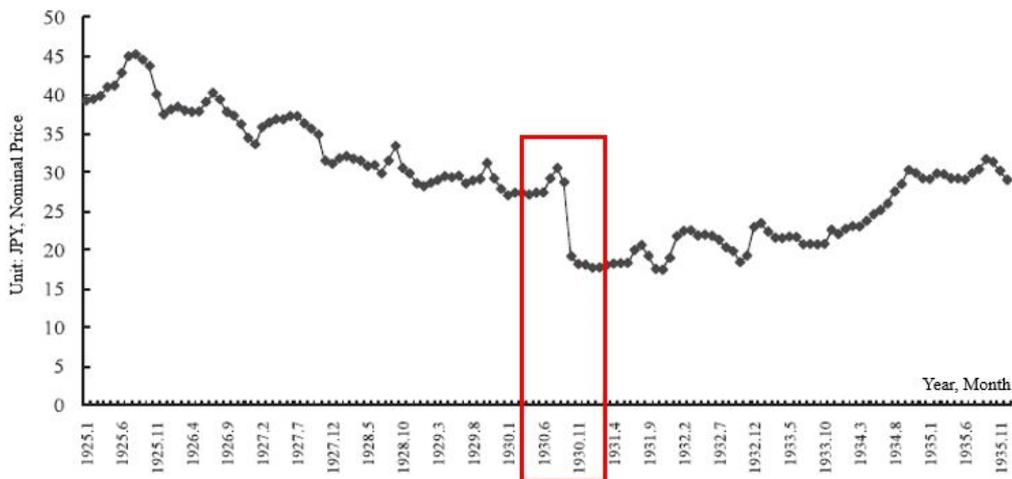
There were three options to raise farmer income; raising farm income from main crops, such as rice and cocoon, raising farm income from subsidiary crops, or raising nonfarm income (World Bank, 2007). Among those three options, the second one was most realistic at that time, because the price of two main crops had bottomed out due to the Great Depression, and it also hit the nonagricultural economy as well (Arimoto, 2012). Figure 3 showed the trends

² Source: T. Fujie, T. Senda. (2011). How do Farm Households Cope with Aggregate Shocks? Evidence from the Great Depression in prewar Japan.

Note: Figure represents the logarithm of nominal income

of rice price around the period, and there was a drastic cut of the price in the 1930. Thus, to increase farm income from subsidiary crops, villages focused on diversifying agricultural production and adopting animal husbandry. Also, farms tried to introduce side jobs, such as handicraft production or small-scale manufacturing (Arimoto, 2012). Those strategy was feasible since the seasonal surplus labor in the slack season was considerable at that time and introduction of additional crop in the slack season expected to use those idle labor effectively.

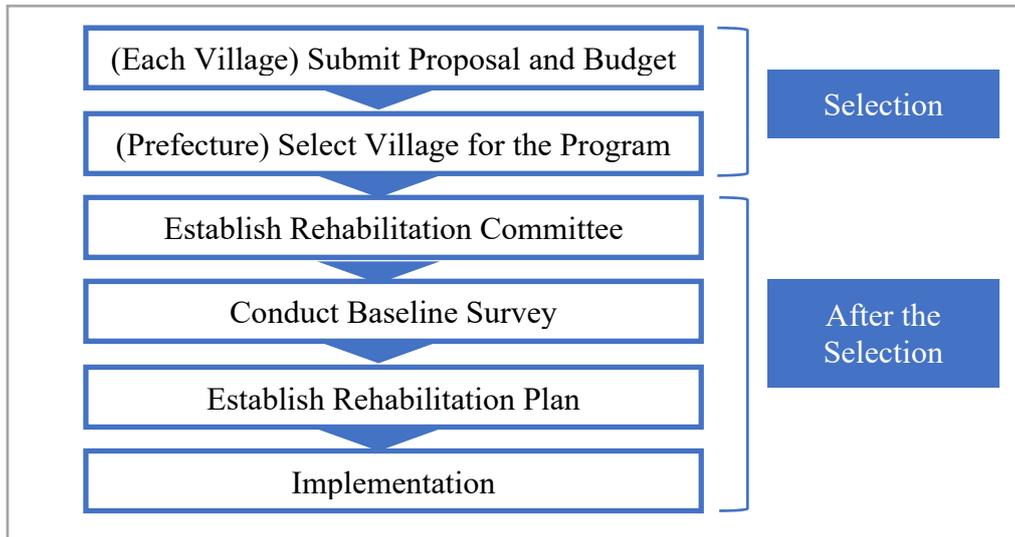
Figure 3. Trends in Rice Price of Japan³



³ Source: T. Fujie, T. Senda. (2011). How do Farm Households Cope with Aggregate Shocks? Evidence from the Great Depression in prewar Japan.

Note: The price represents a nominal price per a Seok (Approx. 160kg)

Figure 4. ERM Selection process



A process of ERM was as follow; Several villages voluntarily applied to their prefecture to participate in ERM, and after the prefecture selected the proper village for the program, the village established the rehabilitation committee, and they conducted a baseline survey for their own village. Based on the baseline survey, the villagers diagnosed their current economic situation and establish rehabilitation plan to recover their economy. The rehabilitation plan was implemented being financially supported by “Special Subsidy Program (hereafter SSP)” of government. Therefore it could be said that “Planning of a Rehabilitation Plan” and “SSP” were two major pillars of ERM’s implementation. The selection for ERM began in 1932 and terminated

in 1940, whereas the SSP began in 1936 and terminated in 1941 (Arimoto, 2012).

2.1.2 Achievements and Criticisms

According to Arimoto's research regarding Hyogo prefecture, it revealed that ERM actually helped the economic recovery of the villages that participated in the program. To be specific, households who participated in the program had improved their financial standing by reducing their debts by 13.9 percentage points in average, and increasing savings by 7 percentage points in average (Arimoto, 2012).

However, ERM sometimes harshly criticized since it's strong political and ideological characteristics. From the mid-1930s, the organization were used for other forms of mobilization and control because the government appeared to have commandeered the goals of lifestyle improvement to advance its own goals of increasing control of daily life and, eventually, propagating prowar ideology (Simon Partner, 2001). In 1937, Japanese government propagated the National Spiritual Mobilization Campaign, seizing on "life style improvement" as a core activity, but the goal of it was tailored to fit with the mobilization campaign of people and metals for war use (Simon Partner, 2001).

In addition, ERM had initiated since 1932, whereas the financial support for the program(SSP) was started to be provided since 1936. Thus, it could be argued that the rural development movement might not make any real economic impact or outcomes before the implementation of budgetary support. Even during the period of SSP provided(1936~1941), it only support 17% of villages in the country, whereas 83% of all villages in the country were selected for the program (Arimoto, 2012). Those critics argued that that's why ERM's economic outcomes were less known and shared than it's political and ideological features.

2.2 Governance Structure

It could be said that Japanese Rural Development Movement in 1930s was executed through participatory, bottom-up procedures. Like the Figure 4 described, ERM process begins with the village's participatory application for the program. It proposed the proposal and budget to the prefecture, and after the selection, it conducts baseline survey by itself. Once the village selected, it organized the Economic Rehabilitation Committee, composed of key village officials such as heads of the farming associations, head of the sericulture union, village officials, school principal or head of the youth group, to conduct the basic survey, establish economic revitalization plans, provide the leadership

necessary to implement the plans, and perform any other duties related to economic revitalization of their village (Kerry Smith, 2001).

As Arimoto argued, the essence and guiding principle of the program was “Self-help”, which means rural communities should help themselves out of the economic crisis, by drafting and implement their own rehabilitation plans voluntarily. The government at first provided little more than leadership, moral support, and methodological tools (Simon Partner, 2001). Further, the villages who wished to apply ERM was required to conduct their own baseline survey with detailed and structured, enable them to objectively understand their situations (Arimoto, 2012). To be specific, the survey included careful study of the economy and living conditions of every household in the village (Simon Partner, 2001).

When it comes to the governance within the village, the movement also aimed at nurturing “mainstay farmers” in the rural population (Michael Smitka, 1998). They were individuals who earned their livelihoods from farming and whose lives and values were rooted in the communities in which they lived (Michael Smitka, 1998). These indigenous farmers were selected to lead the improvement of their villages’ farm management and trained by the government in the prefectural agricultural association. After returning to their villages, the trainees formed a local society to study farm management, and

expected to work to disseminate among other farmers in the community what they had learned about modern accounting methods and systematic planning (Michael Smitka, 1998). That is, the movement was structured to be lead and implemented by local people, not by strangers to the local communities.

In this sense, some Japanese scholars argued that ERM was the earliest nationwide participatory development program in the world, and it also shares several similar features with today's "Community-Driven Development" (hereafter CDD) in terms of beneficiary participation. However, the object of the participation in ERM was different from the CDD's. According to Kodaira, the ERM's self-help principle was based on the policymakers' recognition that the villages were relying excessively on the government (Arimoto, 2012). Japanese Prime Minister Saito's speech in July 1932 revealed the fact that the nation at that time could neither afford nor countenance a country-side dependent on handouts help (Kerry Smith, 2001). Thus what the government could do was help farmers' self-help.

Even after the selection process finished, competitive structure for funding among community level exists, which enables to foster the participation and efficiency of the program. For instance, Yamada Village in Kanzaki County planned to recover their economy by increasing its production of rush mats, and they held competition among communities periodically. The

village rewarded the three communities who showed the best sales volume, and a community who experienced the greatest increase in production also (Arimoto, 2012). To implement the rehabilitation plan, the plan was drafted at the village level, and then the actual execution of the plan was done by small community level. Although each community belong to the same village and rehabilitation plan, each community competed in terms of plan achievements to gain incentives from the village. It was effective in fostering the frequent communications within the communities, and self-monitoring process because a community is consisted with smaller numbers of closely related neighbors.

2.3 Financial Structure

In the 1933, Ministry of Finance allowed budget for the Ministry of Agriculture and Forestry of 420 million JPY which was 5.5 times large enough budget for the ministry's of 1931 (Kerry Smith, 2001). However, Ministry of Finance had fought with the Ministry of Military before the actual execution of budget and the latter persuaded the Ministry of Finance, so in consequently there was a sharp cut in funding for public projects for rural relief, which meant the end of significant direct support for nations' farmers as well (Kerry Smith, 2001). To be specific, total Japanese government spending on relief project in

1932 was about 160,000 JPY, and it increased to 210,000 JPY in 1933, and it cut down to 140,000 JPY in 1934 (Kerry Smith, 2001).

Later, the overall program was fully supported by government budget called Special Subsidy Program from 1936 to 1941. Government granted 15,000 JPY per village who selected in average, and it was substantial amount of subsidies taking in to account the fact that the annual income of a farm household was approximately 500 JPY at that time (Arimoto, 2012).

2.4 Implications

Originally ERM was designed to help rural communities recover from the depression by themselves, but some argued that it introduced economic and social practices to construct a rural areas healthier and vibrant. Although there are several skeptical perspectives towards ERM's purpose and actual structure, the bottom line was that ERM was initiated from submission of proposal to participate in the program of the villages to the prefectures. According to Smith, there were two key successful factors of the self-help approach of ERM; 1) Baseline survey conducted by the residents, and 2) Competition-based approach for participation (Kerry Smith, 2001).

Participation of the program was a privilege, not a right, so it is necessary for candidate villages look back themselves and raise proper plans to

prosper their communities to be screened at the prefectural level before the selection. Villagers drawn up the majority of blueprints which was community-wide plan aimed at economic recovery (Kerry Smith, 2001). For the communities designated as participant of the program, it is necessary for them to conduct structural reform of their communities' pre-existed organizations. That is, there were lots of pre-existed community-based organizations such as agricultural association, the industrial cooperative, and hemlet-level farming associations but Japanese government realized that these fragmented institutions could not effectively perform their tasks to recover from the depression. Thus ERM required to designated villages to propose a reorganization of local leadership into an Economic Rehabilitation Committee to improve cooperation among pre-existed organizations (Kerry Smith, 2001). No one was explicitly excluded from membership of committee, and it normally include key village figures like leaders of local agricultural organizations, experienced farmers etc. Tenants played major role than the landlords because the guidelines from the government strongly suggested that skill, rather than status, be a prerequisite for a position on the committee (Kerry Smith, 2001).

Another factor cited in the success of the self-help approach was that it introduced competition among locals to stimulate interest in planning and to

motivate those who already participating (Kerry Smith, 2001). Inter-village competition was existed but it was not a minor importance, rather intra-village competition (Kerry Smith, 2001). These competitions effectively delivered the message of hard work and productivity of agricultural association planners and also helped to encourage stronger efforts from farmers.

To sum, Japanese ERM experience demonstrated the success of bottom-up style rural movement by introducing reorganized community institutions and competition within village, but at the same time it revealed a weakness in sustainability. For sustainable execution of the rural development plan, both are essential to be achieves; governance and financial structure. It could be said that in the Japanese case, governance structure that was consisted of local key figures was achieved, but the overall projects of the village over-relied on the external source of financing from the government, so the scale and core element of the project was largely decided by the result of negotiations among the ministries every year. That is, the sustainability of the project was hard to be decided in the village level. Thus, Japanese case revealed that sustainable source of supporting the rural development of the village should be established within the village.

3. Korean Rural Development Movement (1970s)

3.1 Overview

3.1.1 Background and Pre-conditions

In 1961, General Park Chung-hee held power as a result of successful military coup, and he initiated the First Five-Year Economic Development Plan from 1962 to 1966, which became a beginning of a series of five-year plan for Korea's development. State-owned banks were established to help implement the government's development plans, and it was enforced and executed effectively by newly passed laws (Institute for International Economics, 2003).

Saemaul Undong (hereafter SMU), also known as the New Community Movement, was implemented under the support and strong will of the government to develop rural areas as a process of long-run economic growth of Korea. A slogan called "Living Well" implies the main purpose and characteristics of SMU. The movement was a result of a combination of an ardent desire of escaping from the poverty from civilian level and strong will of a government who pursued modernization of the country⁴. Also, president Park needed the support from the grassroots to justify their reign since their power was came from military coup, so he did not hesitate to implement development

⁴ National Archives of Korea, <http://theme.archives.go.kr/next/semaul/semaul01.do#body>

plan for rural areas. To begin with conclusion, SMU becomes one of the successful cases of rural development plan in the world, and it is evaluated that it actually attributed the overall socio-economic development of the rural communities in Korea.

However, there were four conducive pre-conditions of Korean village before the implementation of SMU as below (KDI, 2013).

- ✚ As a result of the land reform, many farmers owned a small plot of land
- ✚ Low illiteracy rate
- ✚ Pre-existence of institutional and organizational basis in Korean village
- ✚ Due to tax reform, Korean government had capacity to mobilize tax revenue, with low dependency on foreign aid

To be specific, Korea became independent from Japanese colonialism in 1945 and the first Korean independent government conducted a land reform in 1950 to achieve socio-economic equity in rural areas by abolishing the semi-feudalistic land tenure system. It also aimed to transfer the land ownership from absentee-landlords to tenant-farmers to encourage higher agricultural productivity (Yong-Ha Shin, 1976). Although the reform could not be completed

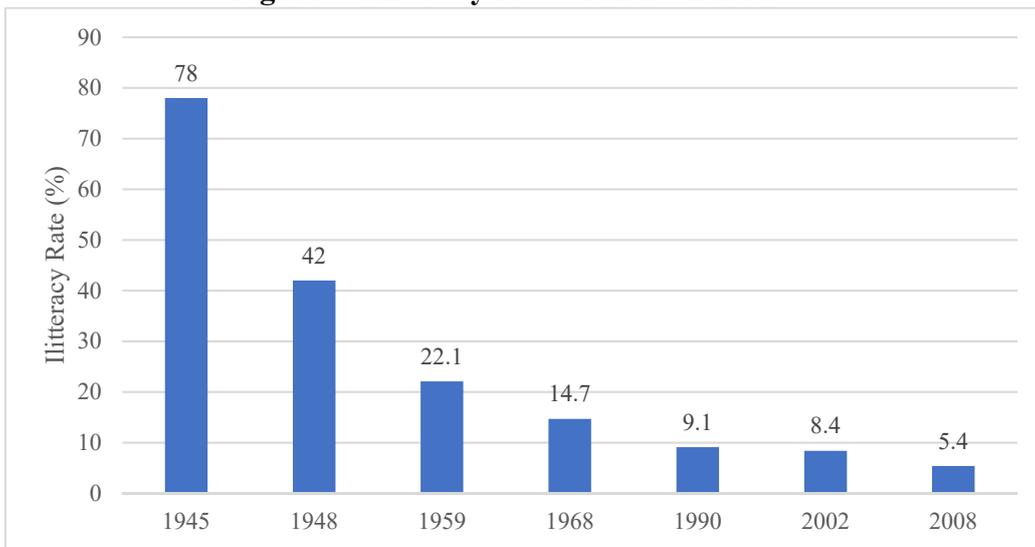
as it originally scheduled due to Korean War (1950-1953), it did abolish the age long land tenure system, dominated by the parasitic absentee landlords and contributed to distribution of land to farmers, so the farmers could own at least small plot of land of their own (Yong-Ha Shin, 1976).

Also, Korea had low illiteracy rate even in comparison with developed countries. Figure 5 revealed that Korea's illiteracy rate has decreased continuously after it's independence. The result was surprising that the trend did not change even during the Korean War period (1950-1953). During this period, people usually learned Korean not in official school, but by private and unofficial areas, such as a night school or private tutoring voluntarily due to the social instability. However, when the US Military Government came in, they considered the abolition of illiteracy as a necessity to build a democratic nation, so they provided support to National Enlightenment Movement to achieve the effect of political socialization including the ideology of democracy (Ohgap Lee, 2007). According to the National Archives of Korea's records, Korea did not even inherent capability to print the book at that time so at the every back page of each book, there was a clause that this book was printed by using USAID⁵. Due to these efforts (by grassroots and government's support), Korea

⁵ According to the Archive's record, quality of the books were very low and those distributed were not even bounded, so it was required to bound the book individually.

achieved to decrease their illiteracy rate drastically in 1970s. In 1970s Korea's illiteracy rate was under 15% and it was even lower than world average illiteracy rate(35%, 1976) at that time⁶.

Figure 5. Illiteracy Rate of Korean Adults⁷



Also, institutional and organizational basis in community level already existed in Korean villages. To be specific, traditional forms of village association, such as Women's Club, Agricultural Cooperatives, pre-existed in prior to the implementation of SMU, and those organizations helped to establish

Source: National Archives of Korea
<http://theme.archives.go.kr/viewer/common/archWebViewer.do?singleData=Y&archiveEventId=0051924062>

⁶ Source: World Bank Open Data <https://data.worldbank.org/indicator/SE.ADT.LITR.ZS>

⁷ Source: KDI. (2013). New Research on Saemaul Undong: Lessons and Insights from Korea's Development Experience.

effective and recipient basis village governance structure during the movement (KDI, 2013).

Lastly, tax administration reform conducted in 1966 provided fiscal soundness to government. Korean government established a National Tax Service in 1966 by merging and centralizing the regionally distracted institutes who collect taxes. After the establishment of the institute, government conducted a tax administration reform extensively since 1976, and it was significant because tax has recognized and utilized as means for executing the government policies, including economic development policy since that moment (Byungsoo Choi, 2009). The government could mobilize tax revenues effectively, which gave them a sufficient and sustainable fiscal resources to implement the rural development plan. Also, the dependency on foreign aid decreased from 50% in 1950s to 7% in 1964, and converged to 0% in 1974 (KDI, 2013).

3.1.2 Major Strategies

The purpose of the SMU was to develop a modern, comfortable and convenient social community by improving living standards and creating job opportunities in rural villages⁸. To do so, SMU emphasized the three guiding

⁸ Korea Saemaul Undong Center, <https://www.saemaul.or.kr/eng/>

sprit; Diligence, Self-help, and Cooperation. Based on the guiding spirit, SMU carried out during the agricultural off-season and promoted to farmers as a way to supplement their regular income (KDI, 2013). Thus, it can be said that SMU possessed voluntary nature, in contrast to social-political movements in other Socialist countries (China, Latin America, and Africa) where participation was compulsory (KDI, 2013). Because of the voluntary nature of SMU, it was necessary to incentivize farmers and villagers to participate in the movement, so it introduced an incentive-based approach to promote participation.

All farmers were fairly given every opportunity for a better life in the form of education. To be specific, at the first moment, government provided same amount of concrete to all villages around the nation. However, after the first year, almost half of all villages failed to produce meaningful outcome with provided resources. Nevertheless, those villages were not left behind. Government invited the leaders of those villages to Saemaul Leaders training Institute and let them see and learn the practical and successful cases of other villages by themselves (KDI, 2013).

Also, autonomy and discretion of each villages in carrying out the development project for their own communities have been respected. The project required members of the same village to work collectively and to help

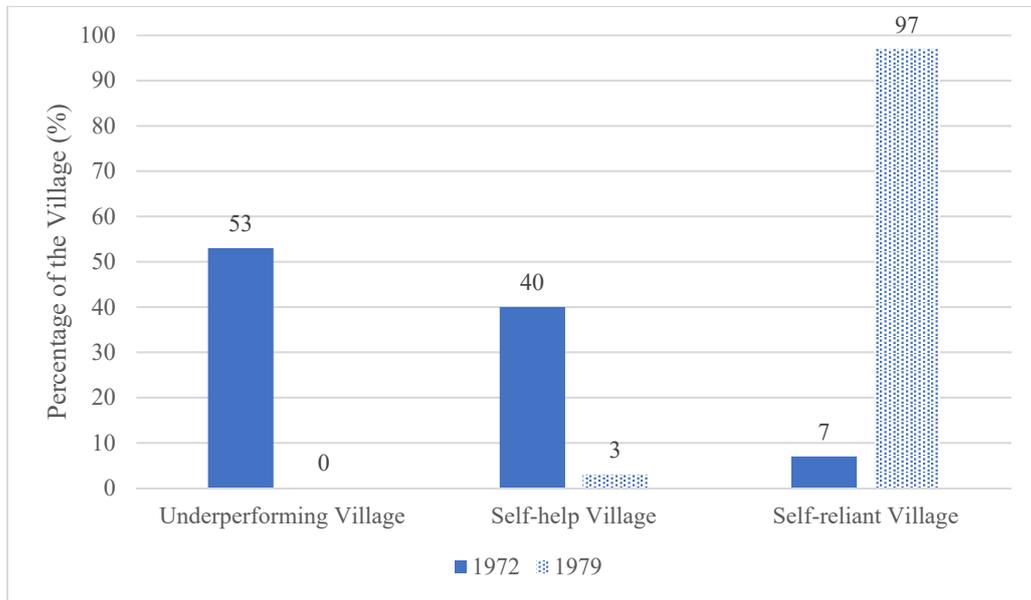
villages to build social capital and sense of ownership under mutual accountability (KDI, 2013).

3.1.3 Achievements and Criticisms

As the movement progressed, the result came out clearly. At the beginning of the SMU, government classified the all villages into three level, Underperforming Village, who were the least developed, Self-help Village, and Self-reliant Village, who could manage and serve their own village by themselves (KDI, 2013). As the Chart 3 indicates, number of Underperforming Village drastically declined as the movement progressed, whereas almost all village around the nation got the status of Self-reliant village in 1979.

In addition, it is evaluated that SMU successfully mobilized the participation of the movement on a national scale by educating farmers on the benefits and value of the government's rural development policy (KDI, 2013). As the Figure 6 revealed, improvements in terms of the social development recognized, such as basic infrastructures like roads.

Figure 6. Number of Villages by Level⁹

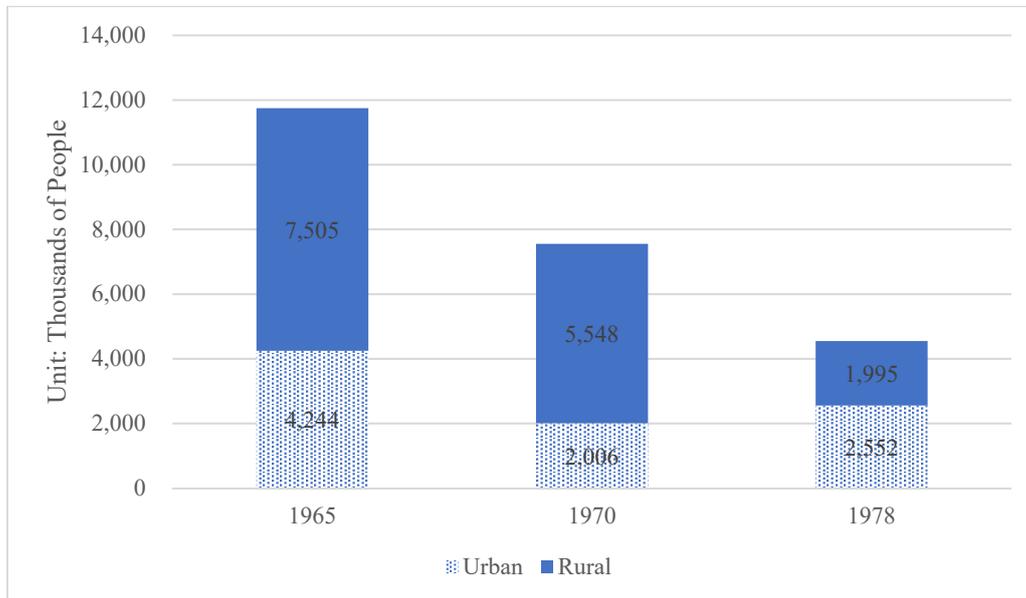


Further, SMU contributed to alleviate the number of people in absolute poverty in rural areas. Figure 7 below showed that people in absolute poverty has decreased in 1978 in comparison of 1965, both in rural and urban areas, but especially people in rural areas, it declines over 70% (Sooyoung Park, 2009).

⁹ Source: Retrieved Data from KDI. (2013). New Research on Saemaul Undong: Lessons and Insights from Korea's Development Experience.

Note: Several Criteria had to be achieved to become a Self-reliant Village. For example, Main farm roads to village and bridges less than 20 meters need to be constructed, and basic housing environment of roof renovation and fence-remodeling of village houses needed to be achieved.

Figure 7. Number of People in Absolute Poverty¹⁰



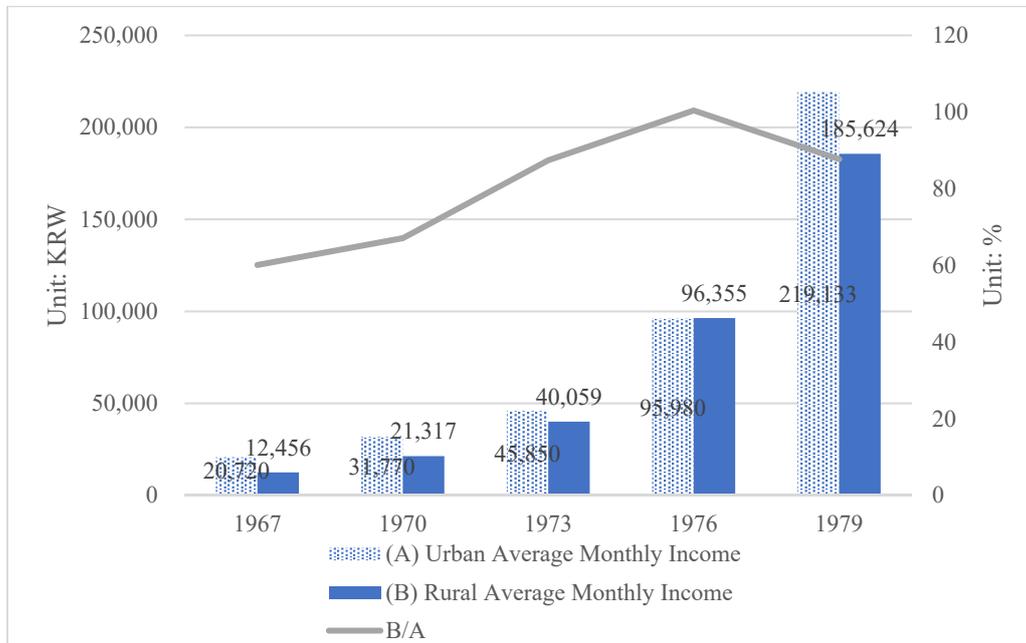
Lastly, Park argued that the SMU helped to decrease the urban-rural income gap (Sooyoung Park, 2009). The results was surprising especially that in 1976 average monthly rural income did overturned the urban one, even though it overturned again few years later. This trend was not observed often even in the world level.

¹⁰ Source: Reorganize Data from Sooyoung park. (2009). Analysis of Saemaul Undong: A Korean Rural Development Programme in the 1970s.

Note: “Absolute Poverty” refers to a monthly household income which is below 53,000 KRW for an urban household and 80,000 KRW for a rural household

(originally it was estimated in estimated in 1980 KRW, but the author retrieved it in 2018 KRW, referred to ECOS, <https://ecos.bok.or.kr/jsp/use/monetaryvalue/MonetaryValue.jsp>)

Figure 8. Ratio of Rural Household Income to Urban¹¹



However, the achievements of SMU sometimes criticized due to its ambiguity in scope. That is, it is difficult to clearly distinguish pre-existing programs from the newly initiated programs for SMU, leaving the possibility of exaggeration of its achievements (Sooyoung Park, 2009). Also, as I mentioned at the beginning of this part, SMU inherent the political motivation of President Park to legitimate his dictatorship and authoritarian regime by obtaining grassroots support of farmers.

¹¹ Source: Reorganize Data from Sooyoung park. (2009). Analysis of Saemaul Undong: A Korean Rural Development Programme in the 1970s.

3.2 Governance Structure

SMU had both characteristics of contrasting governance structure; Top-down and Bottom-up. That is, although the beginning of SMU was government-led rural development movement, especially reflected the will of the president (Top-down nature), it also has properties of Bottom-up nature in the actual execution, implementation, and monitoring process. As I mentioned in the previous part, autonomy and discretion of each villages were respected in implementation, and it was largely due to the financial structure of the villages, which will be detailly researched in the next part¹².

When it comes to the village governance structure, the Village Development Committee (hereafter VDC) and Saemaul Leader were the key. VDC, often called as “Village Leadership Team” was main decision making body for each villages. Notable part was that the decision making was not done by an one smart leader. VDC was consisted with 15 key village figures including the village head, elders, village leaders, and Saemaul Leaders (KDI, 2013). In composing the VDC, government was able to benefit from an institutional and organizational basis that are pre-existed at the village (KDI, 2013). Also, the organization strongly emphasized the monitoring and evaluation process, based on the culture of mutual accountability (KDI, 2013).

¹² 3.3 Financial Structure

Saemaul Leaders, different from “village leaders”, were often called “Transformational leader”, “Successful Business leader”, or “Organizational manager”, because they were elected¹³ solely for conducting the Saemaul project. They are unpaid and did not serve any public office, and consisted two people; one female leader and one male leader (KDI, 2013). Among them, the female leader was a substantive leader since they were in charge of the finance during the agricultural off-season. Saemaul Leaders were not only technically educated in Rural Development Administration, which was operated by government, but also mentally trained in Saemaul Leaders Training Institute to cultivate their business leader mindset based on peer learning process (KDI, 2013).

3.3 Financial Structure

The well-organized governance structure of SMU was possible due to the villages’ financial independence. In contrast to general cases of rural development plan (including Japanese and Chinese one), source of financing of SMU was not fully depending on the government support. Rather, government and villagers burdened almost equally in average. Figure 9 shows the cost

¹³ The method of selecting the Saemaul Leader depended on the village, but in many cases they were elected within the villagers democratically (KDI, 2013).

sharing scheme between the government and villagers, which equally shared the cost of funding Saemaul projects (KDI, 2013).

Figure 9. Financial Source of Saemaul Projects¹⁴

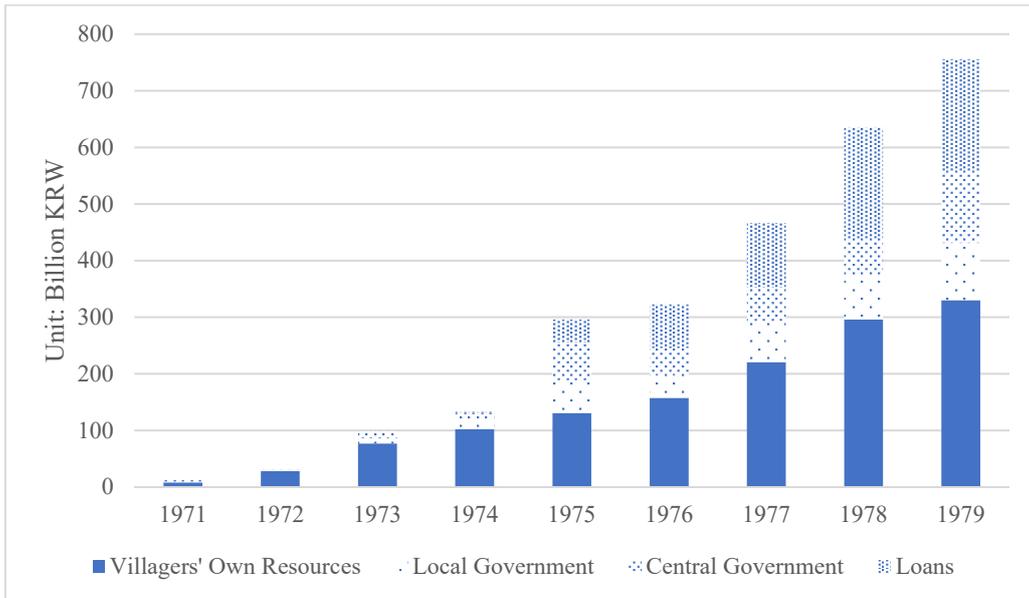
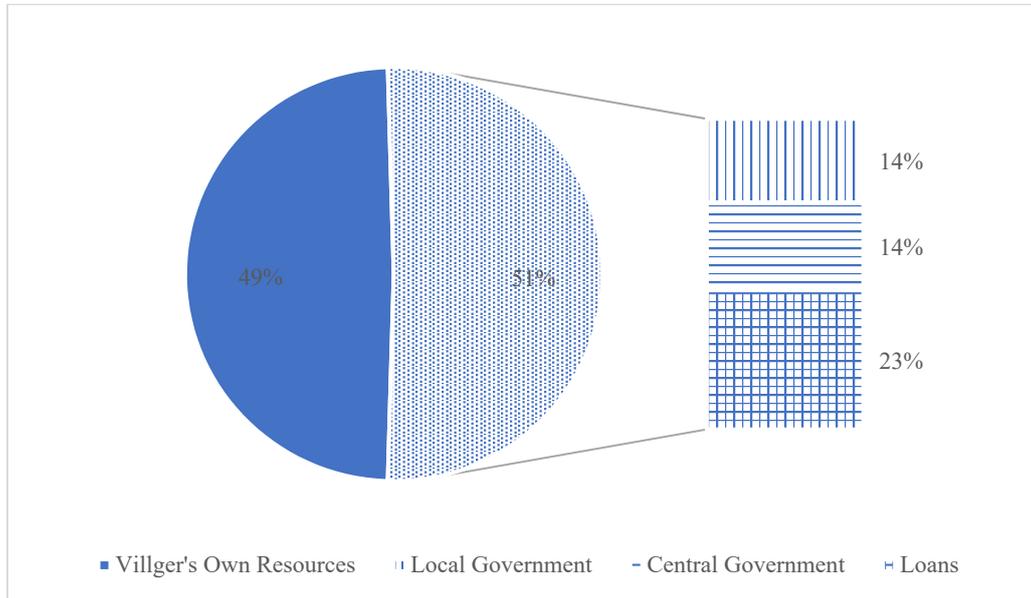


Figure 10 added up the total amount of financing during 1970s and it revealed the fact that government and community had almost equally split the burden of implementing the Saemaul project. This financing structure helped to strengthen the accountability and autonomy of each villages.

¹⁴ Source: Reorganize data set extracted from Ministry of Internal Affairs, KDI. (2013). New Research on Saemaul Undong: Lessons and Insights from Korea's Development Experience.

Figure 10. Source of Financing in 1970s¹⁵

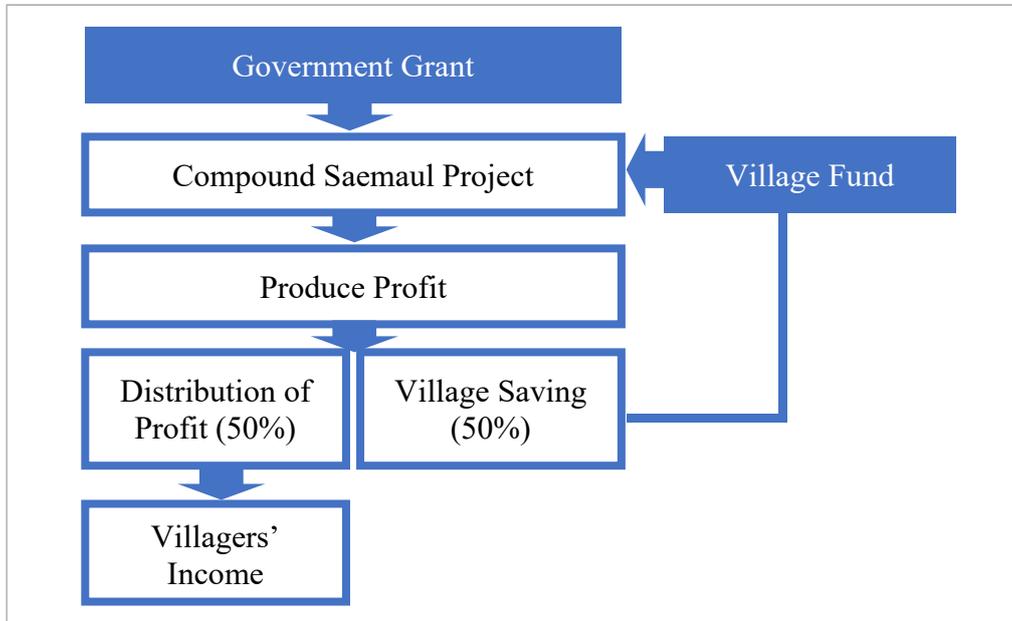


This kind of financial structure was available under Korean government's Saving Reinvestment Program (hereafter SRP). In the third year of SMU, government provided financial and technological assistance under the SRP to create income opportunities for farmers to supplement their main source of income (KDI, 2013). Once the government granted some amount of money, villagers executed Saemaul project and produce profit. Then, the farmers were asked to save as much as 50%¹⁶ of their earnings in a "Village Fund" that would reinvest it in future projects for the village (KDI, 2013).

¹⁵ Source: Reorganize data set extracted from Ministry of Internal Affairs, KDI. (2013). New Research on Saemaul Undong: Lessons and Insights from Korea's Development Experience.

¹⁶ Although the government recommended to save 50% of projects earnings to the village fund,

Figure 11. Structure of SRP



SRP enforced villagers to be interested in SMU by making financial structure that mandatorily contribute to the project. By doing so, villagers became more responsible for their village's businesses, which positively enhanced the accountability as well.

3.4 Implications

villagers could decide proper percentage of saving through their own decision making process. In fact, there was a village who saved only 25% of earnings at that time, but government did not punish or give any kinds of penalty to the village.

Since SMU is one of the successful cases of nation-wide rural development movement, there are some practical implications that could be meaningful to other developing countries when they implementing rural development plan.

First and foremost, it could not be denied that conducive and development-friendly pre-conditions of Korea greatly contributed to it's success of rural development movement. Especially in the grassroot level, low illiteracy rate contributed to it's success by improving human capital empowerment. Although it has not been clear that which indicators could clearly represent the amount and quality of human capital, it has been agreed that the stock of human capital present in the population is an important factor in economic growth (OECD, 2000). It is desirable for all citizens to inherent certain level of literacy to sustain widespread participation in economic, social, cultural and political life since it's significant for communication and decision-making processes (OECD, 2000). In addition to know basic skills of reading and writing, literacy is also necessary ingredient for community participation and a sense of belonging (OECD, 2000). Further, it could positively contribute to develop local leaders who could lead and devote themselves to rural development projects.

When it comes to the government level, having transparent and sustainable source of financing is critical in effective and sustainable implementation of the rural development program. The structure of taxation is directly related to the stability of the macroeconomic framework and it also enables the government to implement their own development project by their own sources of finance-tax- sustainably (Vito Tanzi & Parthasarathi Shome, 1992).

Second, although a main subject who initiated the rural development movement nation-widely was a government, but the role and autonomy of the local villages were also respected. A main organization for implementing rural development projects were consisted with locals. It was very impressive and significant not only in the sense of autonomy, but also in terms of sustainability of the movement. If the symbolic personnel was from outside the village, for example, government official dispatched from capital, it could not be assured whether the organization could run and sustain after the personnel left. This case would be observed in the next chapter, role and consequences of dispatched young university student village officials¹⁷. Having residents-based organization is essential for the movement's sustainability. Also, Korean case revealed that democratic governance based on logical process (elected Saemaul

¹⁷ 4.2 Governance Structure

Leader, decision making process based on discussion and voting etc.) could contribute to the organizations' sustainability as well.

Lastly, SMU proved the fact that for the sustainable development and implementation of rural development plan, having efficient good financial structure is as significant as having good governance structure. The importance of a financial system of a country in terms of economic development of a country has been broadly agreed since it helps in creation of wealth by linking the savings with investments and facilitating the flow of funds from the savers to investors (Babu G. Sureshm, 2018). When it comes to narrow down it to village level, having good financial system which could facilitate reinvestments for future projects for the village could help continuous implementation of the projects, so it could conduce to sustainable development of village through their own source of finance. Korean SRP enabled raising funds for village and it helped to attract continuous interest of villagers to the village development project because some part of their financial and maneuver source were mandatorily invested in the funds.

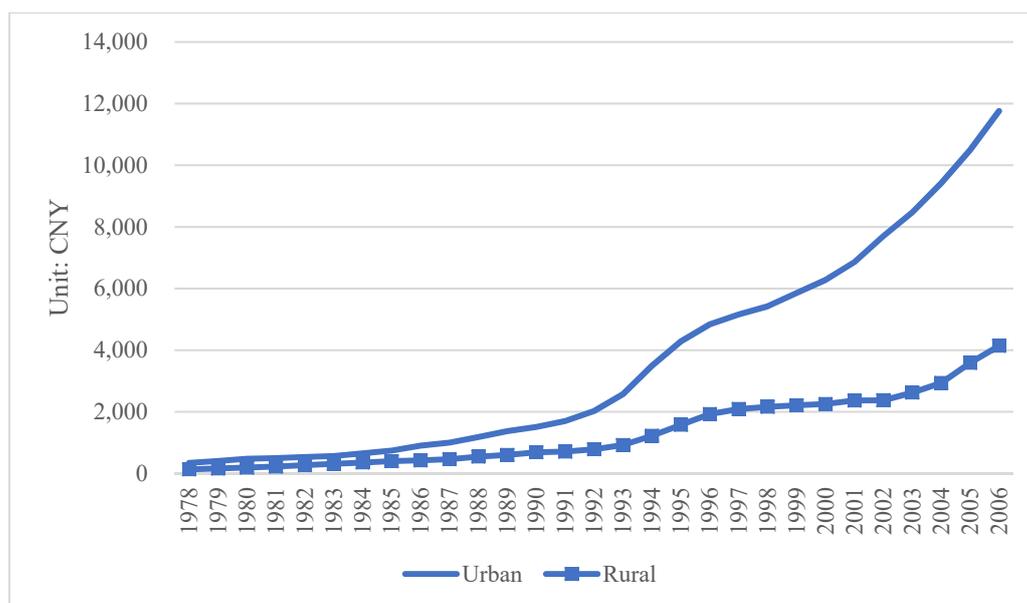
4. Chinese Rural Development Movement (2000s)

4.1 Overview

4.1.1 Background and Major Strategies

After the economic reform led by Deng Xiaoping since 1978, China has experienced high economic growth of 10% in average. while pursuing unbalanced growth among the region, many Chinese rural areas had suffered urban-rural gap in terms of income and welfare.

Figure 12. Urban and Rural Income per capita¹⁸



¹⁸ Source: OECD. (2015). Urban Policy Reviews: China.

Note: Per capita disposable income for urban households as defined by NBS, per capita net income for rural households as defined by NBS

Figure 12 showed the large income gap between urban and rural areas of China, and it is frequently cited as one of the factors contributing to China's observed inequality (OECD, 2015). To be specific, urban households' per capita income in 2012 was more than 3 times higher than that of rural households, and this ratio has been increased since 1978 (2.5 times) (OECD, 2015). China has been the country who experienced the fastest grown urban-rural income gap since 2000, and top 10% riches possesses more than 60% of total property of China (Hao Rui, 2015). Therefore China has been targeted rural issues as priority in their "No.1 Central Document" since 2004 to relief this urban-rural gap. In terms of this trend, China officially implemented "New Rural Reconstruction Movement (hereafter NRRM)", also known as "Construction of the New Socialist Countryside" since 2006.

In the viewpoint of Chinese government, NRRM is one of the step to become a strong and rich China in the long-run. To do so, it aimed to raise the income of rural population, improve the overall agricultural environment, and increase the production of food (Hao Rui, 2015). Thus, Chinese government implemented nationwide-scale program in rural areas for their development. The program aimed to improve productivity and living environment, reform national consciousness, develop village settlement adjustment and enhance local autonomy system (Y.K.Yin et al., 2013). To do so, CPC implemented five

main policies of the new rural reconstruction in China: 1) Policy to assist production, 2) Policy to support agricultural finance, 3) Policy to settle infrastructure, 4) Policy to develop rural society, and 5) Policy to improve rural residents' living standards (Y.K.Yin et al., 2013).

However, due to the vast territory, detailed implementation strategy was varied depending on the region's characteristics, such as geographical and cultural, ethnic diversity. Also, due to the Socialist characteristics of Chinese political structure, basically NRRM has been pushed forward in a nationwide scale with "top-down" structure under Communist Party of China(hereafter CPC) reign.

4.1.2 Achievements and Criticisms

Although it is hard to evaluate the long-term achievement of the movement because it has been less than 10 years of full-scaled promotion of NRRM, there are some achievements in deed. For instance, the movement contributed to increase per capita income of rural population since 2006, with in average 10% growth rate (Wei Yue, 2015). Figure 13 and 14 showed that per capita income of both rural and urban areas happened in 2000s. Per capita income of rural population has been increased since 2006, with average 10% growth rate.

Also, one of the most notable changes was improvement of rural environments, such as diffusion of telephone and internet. To be specific, 99.5% of administrative town around the nation where telecommunication was unavailable before 2008 are now becoming available to use telephone in their region (Wei Yue, 2015). It could be said that it contributed to rural reconstruction in terms of exchange of information.

However, still huge urban-rural income gap exists even though income of rural areas has been steadily increased. Figure 15 showed that although China achieved revitalization of rural agricultural economy and urbanization through the program, still they are in trouble to deal with urban-rural gap effectively.

Figure 13. Rural Per Capita Income¹⁹

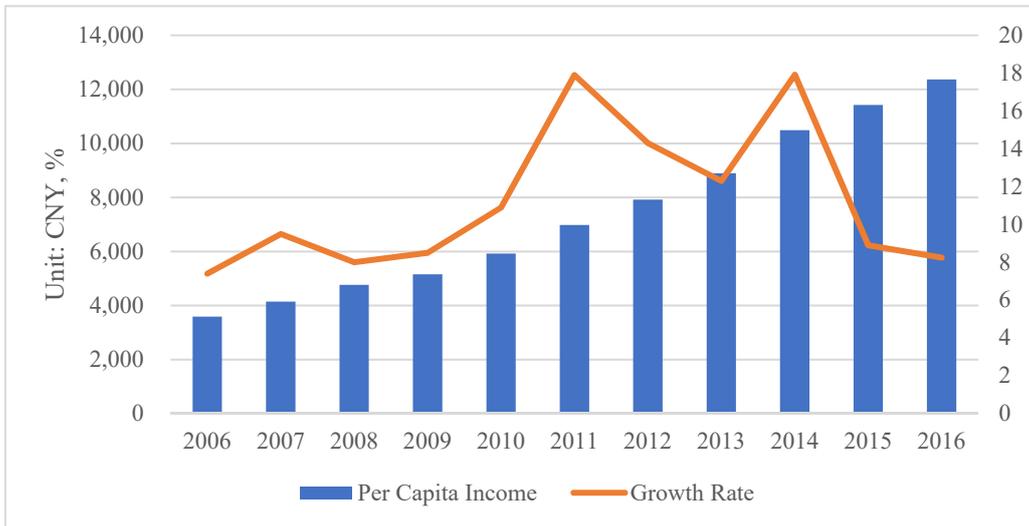
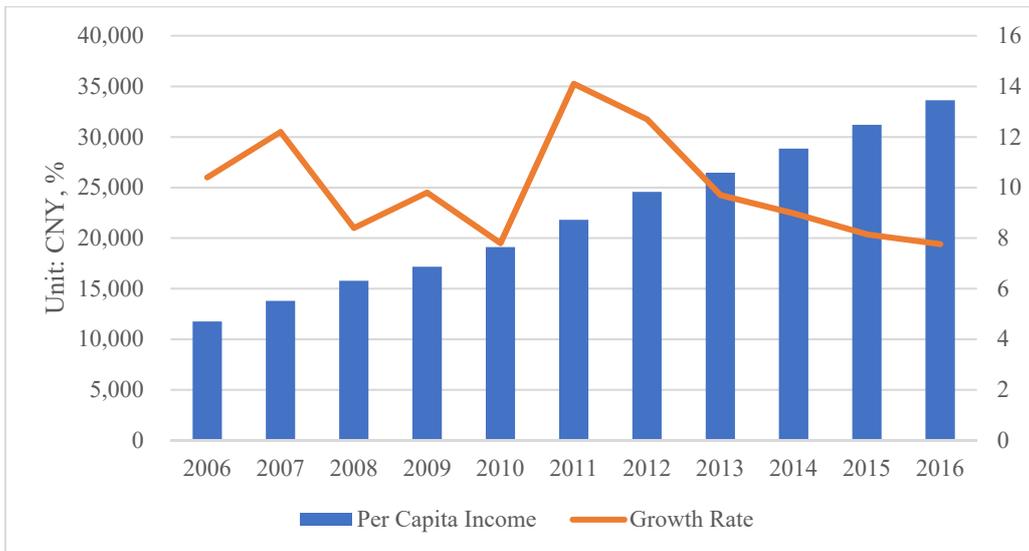


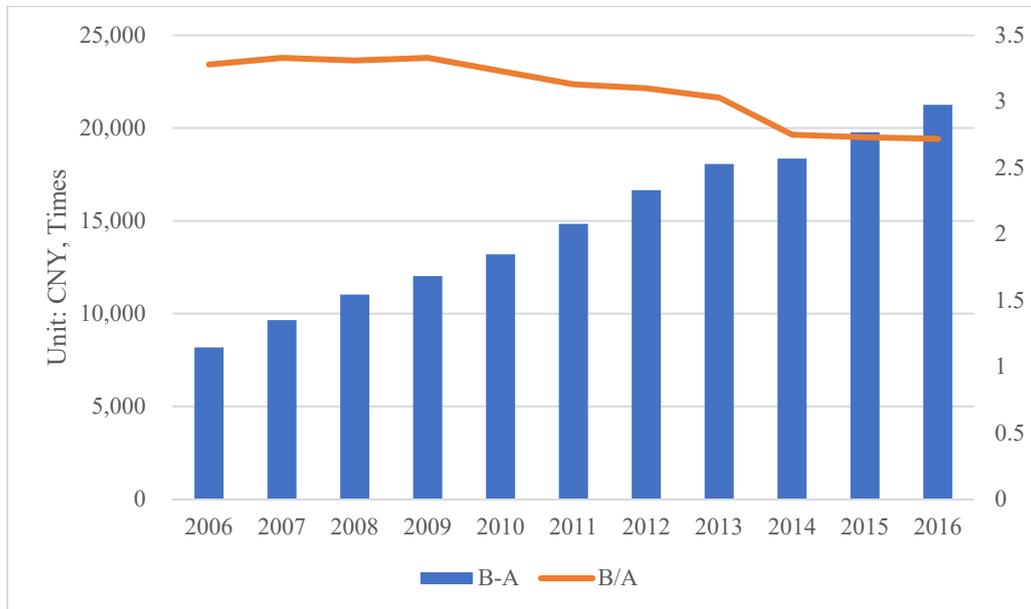
Figure 14. Urban Per Capita Income²⁰



¹⁹ Source: Extract data from Chinese Statistical Yearbook for each year, Wei Yue. (2015). A Comparative Study of Saemaul Undong in Korea and New Rural Reconstruction Movement in China

²⁰ Source: Same as Figure 14

Figure 15. Urban-Rural Income Gap²¹



In addition, NRRM sometimes been criticized because government concerned more about construction or spread of new farming tool, which are easily revealed externally, rather than making a practical effort to improve actual agricultural productivity (Wei Yue, 2015). Also, NRRM also tried to reform the peasants’ consciousness to having ownership about their own village to promote productivity and responsibility(Like the case of Korean SMU), it was hard to achieve it due to fundamental characteristics of Chinese government structure itself.

²¹ Source: Same as Figure 14

Note: A indicates Rural per capita income and B indicates Urban per capita income.

4.2 Governance Structure

NRRM followed general Chinese mass movement, characterized by mobilization through massive propaganda. CPC strongly and sustainably propagated the movement through various channels, and it also induced the competition between the regions through propaganda (KITA, 2006). In contrast to Japanese ERM who adopted bottom-up structure and Korean SMU who selected the combination of top-down and bottom-up structure, Chinese government lead the every execution and financial supports through top-down.

Although basically NRRM was conducted under top-down structure, central government tried to promote the movement under intimate cooperation with local governments. Each local governments designated the region where to promote NRRM, propose idea, and raise funds for execution, on the other hand, central government directed the overall process of the movement with financial support (Y.K.Yin et al., 2013).

Meanwhile, CPC dispatched young university students, who are called as the “University Student Village Officials”, who studied in urban to rural areas to enhance and strengthen efficiency of NRRM and encourage young students having concerns and interests in rural development (Hao Rui, 2015). It pursued to promote the development in order to improve the quality and level

of overall rural areas including political and economic aspects (Dong Min, 2012). By the end of 2014, 248 thousands graduates were selected as an University Student Village Officials and some of them are provincial residents (Hao Rui, 2015). It could be said that these young officials contributed to vitalize the old rural areas by promoting democratic self-management system in the areas and reforming the village through scientific methods to some degree (Hao Rui, 2015).

The young officials are somewhat sound similar with Saemaul Leader of Korea, but there are many differences between them. However, in contrast to the fact that Saemaul Leaders were selected local residents of the region, the young officials of NRRM were mostly dispatched “visitors”, who are born, studied, and raised in different region²². Thus, once their terms of office expires, most of them are trying to leave the rural areas and move to other developed regions (Hao Rui, 2015).

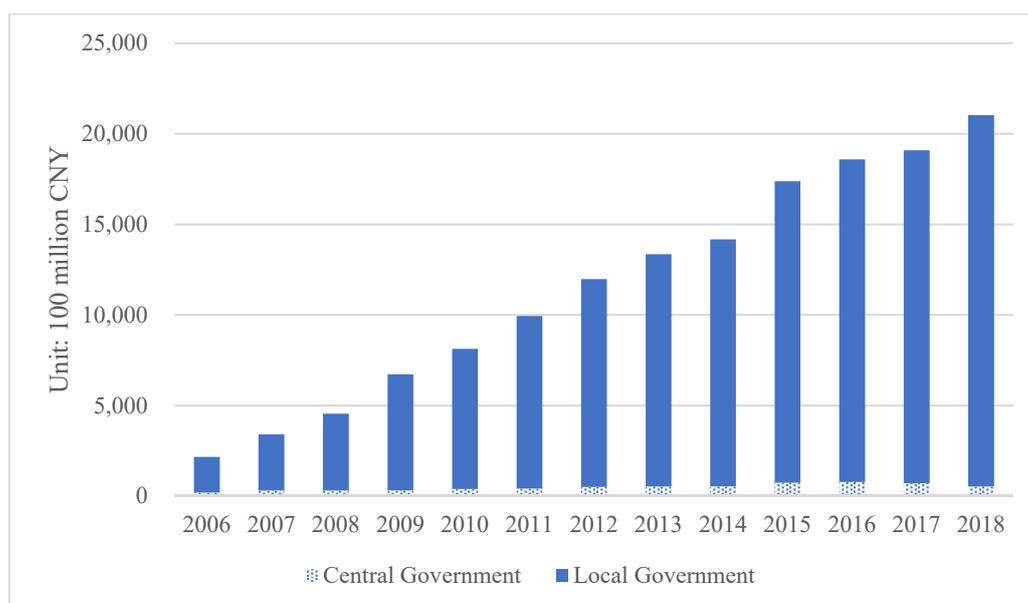
4.3 Financial Structure

Since NRRM has been executed and implemented by top-down process based on the strong will of CPC, financing for the program was also up to the

²² Although some of them are composed of local residents, most of (90%) selected graduates were outsiders. [https://baike.baidu.com/item/大学生村官/73510#reference-\[2\]-10744766-wrap](https://baike.baidu.com/item/大学生村官/73510#reference-[2]-10744766-wrap)

party. The key financing source for NRRM was derived from central and local government budget. CPC themselves had strong will to implement this program to encourage the underdeveloped rural areas, so it could contribute to make the country strong and developed, their financial support for the rural areas had been increased steadily. Figure 16 showed the Chinese government expenditure for NRRM since 2006, and it reveals the financial support of CPC for has been sustainably increased after the implementation of NRRM.

Figure 16. Government Expenditure of Agriculture²³



²³ Source: China Statistical Yearbook of each year, National Data
<http://data.stats.gov.cn/english/easyquery.htm?cn=C01>

Note: Extracted data referred to “Expenditure for Agriculture, Forestry and Water Conservancy”

The main components of financial structure for NRRM are 1) Expenditure for agricultural development, 2) Extra expenditure related with agriculture (Y.K.Yin et al., 2013). The former indicates budget that directly invested to construct new rural village, whereas the latter refers to subsidiary budget that has been used to assist the program including expenditure for agricultural capital construction and rural relief funds etc. (Y.K.Yin et al., 2013).

4.4 Implications

Chinese experience of rural developing revealed the significance of the sense of ownership to sustain the project. When it comes to the basic pre-conditions of implementing the project, China achieved certain level for successful implementation. To be specific, in the grassroot level, according to the World Bank Data, Chinese literacy rate at 2000 was over 90%²⁴, and it was even higher result in compare with world average literacy rate (80%) at that time. Also, since China was under one-party rule of CPC, it could be feasible to collect tax as a sustainable source of financing. In addition, it's dependency on foreign aid, which is fluctuating and unsustainable, was very low. According to

²⁴ World Bank Data, <https://data.worldbank.org/indicator/SE.ADT.LITR.ZS?locations=CN>

Note: Literacy rate, adult total (% of people ages 15 and above)

the World Bank, China's net ODA received percentage of GNI at 2000s were less than 0.1% at every year.

However, it's conducive pre-conditions did not guarantee the sustainability of NRRM in the case of China. Ironically it was due to it's political structure. CPC seemed to recognize the importance of ownership and governance within the village, so they tried to promote it by dispatching young students as supplements of the lack of autonomous governance. Nevertheless, most of the young university officials did not accomplished what CPC expected to them. As pointed already, they put aside their jobs as officials to promote NRRM when they grabbed other opportunities such as graduate school or city jobs. Even if some of them completed their term of office, many of them decided to leave the village after the termination. It was because most of them were not local of the dispatched villages.

When it comes to the governance within the village, there were two reasons for locals to autonomously participated in the program as main actors. First, due to it's fundamental characteristics of government structure itself, it was hard to reform the peasants' consciousness to having ownership about their own village to promote productivity and responsibility. For having ownership and responsibility, it's essential to develop individual entrepreneurship and active participation of local farmers in the NRRM project. CPC tried to foster

rural leadership by providing needed technical and mental trainings to locals, but due to its Socialist character, basically it's hard to elicit voluntary and progressive participation of local farmers for regional development like Korean SMU did (Wei Yue, 2015). Chinese people have long been tamed by collective unity rather than individual spontaneity, so it's not easy to convert their mindset to democratic business leader (Wei Yue, 2015).

Lack of financial structure that could supplement and enable locals' attention and participation to the project also contribute to the problem. The direct financing and indirect supports, such as tax exemption benefits to agricultural project or production and subsidies, were solely provided and controlled by central and local governments. To some extent, government funding could be efficient in implementing the project, but for the sustainable development it is critical to develop autonomous capacity of locals. Like the case of foreign aid fatigue, imprudent aid would not guarantee continuous growth through villagers' own capacity building.

5. Conclusion

5.1 Summary

Although many developed countries have experienced urbanization emphasizing manufacturing in metropolis, rural sector plays important role in country's economy by supplying food and labor for the industrial sector. Enhance, still many portions of population in developing countries are living in underdeveloped rural areas, and it impedes the development of overall nation. Thus, countries have implemented a lot of strategies focusing on promoting economic and social flourish in those areas. Three countries located in the Northeast Asia-Japan, Korea, and China-also did have implemented their own movements to encourage rural areas. These countries have been influenced each other and have influenced each other multidimensionally even before the modern era. In this manner, their rural development movements were showing some similar characteristics, whereas inherent their own unique features. Although their movements took place under different time period and backgrounds, it would be meaningful to compare their different strategies and institutional structures and derive insights for developing countries' rural development plan. It is because there are different level of development and history, backgrounds among developing countries, so each movement could give implications to them. Figure 17 summarized the major contents of Body 3 to 5.

Figure 17. Summary of Comparative Study

	Scale	Background and Strategies	Governance Structure	Financial Structure
Japan (ERM) 1930s	Specific village	<ul style="list-style-type: none"> ✚ World War II and the Great Depression ✚ Self-help 	<ul style="list-style-type: none"> ✚ Bottom-up ✚ Rehabilitation Committee, consists of locals ✚ Mainstay Farmers 	<ul style="list-style-type: none"> ✚ 100% Government ✚ SSP
Korea (SMU) 1970s	Nationwide scale	<ul style="list-style-type: none"> ✚ Five-Year Economic Development Plan ✚ Incentive-based approach ✚ Peer learning 	<ul style="list-style-type: none"> ✚ Top-down + Bottom-up ✚ VDC, consists of locals traditional organization ✚ Saemaul Leader²⁵ 	<ul style="list-style-type: none"> ✚ Government(50%) + Village(50%) ✚ SRP, Village Fund ✚ Compulsorily engage locals into the program (ownership)
China (NRRM) 2000s	Nationwide scale	<ul style="list-style-type: none"> ✚ Unbalanced growth since 1970s (Deng) ✚ Different strategies depend on region 	<ul style="list-style-type: none"> ✚ Top-down (CPC) ✚ Bureaucratic structure ✚ Dispatched young University Student Village Officials 	<ul style="list-style-type: none"> ✚ 100% Government ✚ Solely rely on government expenditure and supports (largely local)

²⁵ They are different from government officials since they are unpaid and elected democratically by local residents.

5.2 Limitation

SMU becomes Korean model of rural development and Korean government progressively exports it towards developing countries in the form of knowledge sharing²⁶ or ODA(Official Development Assistance). Also, past President Park emphasized the importance of monitoring of the program to encourage effectiveness and accountability of the program, so there are thousands of local documents that can be referred to the research.

However, in the case of Japan, ERM took place in 1930s and less documents and official data sources were available about that time. If there is some, it was written in Japanese only. In addition, since ERM had targeted several villages and it was criticized due to its politically biased features domestically and internationally, official documents released by the Japanese government are not that much remained. Thus, it would be required for further researcher that to conduct research with Japanese fluency, with access to government official documents.

In the case of China, it was also hard to access official data and documents either, but different aspects. Since it is communist country under

²⁶ Knowledge Sharing Program(KSP) is a platform for development cooperation. The Korean Ministry of Economy and Finance(MOEF) launched KSP in 2004 to meet the rising demand for deriving policy implications of the Korean development model and contribute to sustainable prosperity abroad.

strong CPC reign, the information and data released by the government were only channel that foreigner could access to the fact. However, this data and information are also exposed in danger of manipulation, so it is necessary to compare it with globally released one, but in many cases they are not available in global level in the case of China.

Thus, in terms of level of data and credibility, this paper largely relied on the research papers and released books and articles officially, but it is necessary to be supplemented in the further research.

5.3 Implications

Through these comparative study between Japan, Korea, and China, I derived three implications for further implementation of rural development plan in developing countries.

5.3.1 Conducive Environment for Successful Implementation

Recently CDD has been highlighted as good example of rural development and community-driven nature is essential and desirable to some extent. As in the case of Korea, wholehearted support of government to the program was necessary, but at the same time grassroot participation and will should take place at once. To do so, having conducive environment to derive residents' participation is helpful to successfully implement the program. In the

case of Korea, even before the implementation, there were pre-existing traditional organizations within the village and illiteracy rate of rural areas were low even in comparison with urban populations. Also, as a result of land reform and tax reform, it enables government to manage and finance for the program effectively and efficiently. These conducive environments accelerated the fast and broad execution of the SMU around the all village around the nation.

Thus, at least two pre-conditions would be achieved for successful rural development plan implementation. First, in the village level, low illiteracy rate is significant in terms of comprehensive execution of the program and cultivation of ownership. Second, in the government level, tax reform to provide government the right and sustainable source for financing the program and operating national finance is essential. Rural development movement needs comprehensive and sustainable support from the government and it is derived from stable operation of national finance.

5.3.2 Importance of Governance Structure

For the efficient and nationwide scale rural development, it is natural that the government led the implementation of rural development movement. However, recently global organizations and actors have concentrated on the role of community in the rural development. Japan argued that their ERM was the first form of CDD, due to the features that community voluntarily proposed

for government support and conducted baseline survey by their own capabilities. However, community-driven plan is important but at the same time it could be efficient and effectively conducted in the case that villagers have capabilities (literacy, land ownership etc.) to promote and implement the rural development plan. Thus, to some extent, cooperation between government and village level is necessarily compatible in rural development. To sum, the combination of top-down and bottom-up structure would be idealistic in rural development, but basic prerequisites should be satisfied.

In addition, when it comes to governance structure within village level and program implementation organization, it is important to compose the organization based on local residents' pre-existed form of cooperation if it exists. Also, external experts and government officials' dispatch is required to some extent, but the main body and subject of implementation and further execution needs to be composed with local residents for sustainability of the project. Chinese case showed the limits of dispatched officials' role and their responsibilities.

5.3.3 Fostering Ownership through Financial Structure

Lastly, just like Official Development Assistance(hereafter ODA), it is important to foster recipients' capabilities to run their own business (or project) for the sustainable development and success of the project. If the government

want to sustain the rural development movement continuously and effectively, after some time passed and the program matured, villagers need to run it by their own hands. To do so, in addition to governance structure and familiar conditions for implementation, constructing financial structure would help villagers' engagement to the rural development and promote transparent accountability.

I think the most unique and efficient feature of Korean SMU was their financial structure, "Village Fund" and its role. By establishing the fund only for village affairs and pushing some part of earnings to the fund, villagers' concern and interest on the project and program naturally increased. This is because they directly observed the flow of capital and saw some of their money and contribution are included in the village's project. Once people are financially engaged in something, it is even harder to neglect the thing out of one's mind. In this sense, establishing good financial structure would not only contribute to the sustainability of the program, but promote villagers' ownership of the program and their own village.

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Data Sources

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국문초록

한중일 지역발전 운동의 비교

— 거버넌스와 재정 구조를 중심으로 —

서울대학교 국제대학원

국제협력전공

민 수 민

낙후된 소도시와 지역의 발전은 한 나라의 경제발전과 성장에 있어서, 성공적인 도시화 만큼이나 중요한 요소이다. 이들 지역은 도시지역에 농작물, 인력을 충원하는 역할을 할 뿐만 아니라, 실제로 개발도상국에는 많은 인구가 시골 지역에 거주하고 있기 때문이다. 따라서 이 지역을 발전시키고, 뒤쳐지지 않게 하는 것이 국가의 지속 가능한 발전에 있어 중요하다.

일본, 한국, 중국의 동아시아 3 개국은 다방면에서 역사적으로 서로 영향을 주고받아 왔으며, 그들의 지역개발운동 역시 그러하다. 비록 세 국가의 지역개발운동은 다른 역사적 배경과 시기에 진행되었던 것은 사실이지만, 본 논문에서는 이들의 특징을 거버넌스와 재정 구조적 측면에 집중하여 분석해보고자 한다.

주목할 만한 점은, 세 국가가 사회 경제적으로 얽혀 있을 뿐만 아니라, 지리적으로도 근접해 있음에도 불구하고, 이들의 지역 개발 운동에는 셋 모두를 관통하는 특징은 존재하지 않는다는 것이다. 거버넌스 구조 측면에서

일본의 경제 부흥 운동 (1930s, ERM)은 아래로부터 위로의 접근방식을, 중국의 지역 재건 운동 (2000s, NRRM)은 이와 반대로 위로부터 아래의 구조를 보이고 있으며, 한국의 새마을 운동 (1970s, SMU)은 두 방식 모두를 합친 특징을 보여준다. 이와 동시에 각 마을마다의 자주성을 존중하는 방식을 보였다는 데서 의미가 있다. 또한 이러한 거버넌스적 특징은 마을 기금 설립 등을 통한 재정구조 확립으로 각 마을의 재정 자립도를 올리고, 새마을운동의 지속가능성을 재고하는데 기여했다고 볼 수 있다.

이러한 비교 연구를 토대로, 추후 개발도상국의 지역발전 운동 추진에 있어 세 가지 함의를 도출했다. 첫째, 낮은 문맹률과 정부의 재정자립도 확립과 같은 기초적이면서도 지역발전 운동의 시행에 꼭 필요한 요소들이 어느정도 선행되어 있어야 한다. 둘째, 그러한 선행조건들이 갖추어진 경우, 전체 운동의 정부와 마을 간의 거버넌스 구조와 사업시행 주체(마을) 내부의 거버넌스 구조를 확립하는 것이 중요하다. 정부와 마을 간의 구조의 경우, 각 나라마다 정치 형태가 다르기 때문에 어느 하나를 채택해야 한다고 말하기는 어렵지만, 분명한 것은 지속 가능한 발전을 위해서는 마을에 주인의식을 함양하고, 자주성을 키워주는 부분이 필요하다는 것이다. 마지막으로, 그러한 주인의식 함양을 위한 제도적 기반으로써 마을 공동 기금이나 재투자 은행 같은 주민 참여의식을 고취시킬 수 있는 재정구조를 확립해야 할 것이다.

주요어: 지역개발운동, 경제부흥운동, 새마을운동, 지역재건 운동,
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