

Development of Economy & Reformation of National Consciousness

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*42nd Session, Advanced Center for Administrative Development
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I. Preamble

1. Purpose of Study

Jean Jacques Rousseau, (1712-1778) author of "The Theory of Social Contract", once stated that moral corruption and indulgence in luxury by people increases as their economic well-being improves.

The history of mankind attests to the fact that there have been many nations which enjoyed remarkable economic development, but perished in the long run due to degradation of humanity, corruption, luxury, widespread mammonism, and various conflicts among their people.

It follows that the economic growth should be accompanied by or based on people's strong morality and sound humanity. In other words, the reformation of consciousness is a prerequisite to the economic development.

It is said that the Republic of Korea garnered an economic growth to the extent that it is on the threshold of becoming an advanced country in the near future. However, the Korean government's all-out economic development drive resulted in a variety of by products, including corruption of morality and humanity, luxury, wrongdoings, and rampant mammonism.

Due to this, the economic achievements obtained by Korea so far seem to be in great jeopardy. Under these circumstances, Korea urgently has to cope with this crisis

through the reformation of the people's consciousness.

Of recent, Eastern countries including Russia, china and less industrializing countries in Asia are much interested in the development pattern of korea's economy.

2. Scope and Method of Study

Because it is believed that even though Korea's economy has achieved the great goal of the per capita national income of 10,000 dollars in 1995, there are many problems and difficulties for its goal of soft landing as an advanced country, this study is focused on how to resolve the problems and difficulties.

The adoption of the unbalanced development policies has helped our country to achieve the starting economic advancement but at the same time has given cause to the widening of the gaps and unbalanced development levels between industries, the urban and rural areas, conglomerates and small and medium sized bus-iness, the rich and the poor, which all are in turn, causing many social complications and disputes.

As their results, the country is plagued by a lot of undersira-ble phenomena such as corruptions at each level and field of society, murder, robbery, violence, drug, luxurious tendency, det-eriorated working mind, standoff between the employer and the employee which are all attributed to the loss and degradation of the humanity. And the current development of the situation is justifying the worries that it can offset the results and effects of the economic development that our country has so very much endeavored to achieve, if we do not take any action against them right now. And the voice of worry is becoming ever louder.

Under the above situations and assumptions, the author judg-es that the current undesirable phenomena are the offsprings of the fact that the moral civilization di' not evolve in balance and abreast with the economic development through a reformation of the consciousness, and proposes to carry out a full scale moral reformation movement of the nation before it is too late.

II. Origin of Economic Development Strategy

The concept of economic development hardly existed before the end of World War II in 1945. People only took it for granted that each individual was born to live in poverty or prosperity as his or her destiny dictated.

However, under the influence of the United Nations and other international organizations set up after world war II, the idea of economic development was initiated especially by the newly established independent countries.

At the time, the theoretical basis for an economic growth concept was mainly provided by futurists. Their theories were classified into Balanced Economic Growth Theory and Unbalanced Economic Growth Theory.

Balanced Growth Theory is to ensure a balanced and simultaneous development of all the industrial sectors including agrofisbery, mining and manufacturing, service- s, etc. Adoption of the balanced growth strategy has an innate disadvantage : economic achievement tends to be small while development speed is usually delayed. On the other hand, the theory of unbalanced growth is to intensify development of most advantageous sectors after analyzing each sector's comparative advantages, together with relevant domestic surroundings, and then to spread the resulting achievements to other industrial sectors on a gradual basis.

Because this strategy is likely to produce quick growth, and is favourable to countries with limited manpower and technology, it is commonly available among new independent countries.

In the case of Korea, when the government was to set up the First 5-Year Economic Development Plan after the military coup detat in 1960, there was a heated debated on the type of development strategy Korea had to choose. In the end, however, Korea decided to adopt Hirshman's unbalanced growth strategy and concentrate on the development of the secundary industries including manufacturing and mining.

III. Reflection on Economic Development Strategy

Nowadays, it is common to rely on the concept of GNP to quantitatively evaluate a country's annual economic performance, in other words, its achievements of economic development and gro-wth. Also, per capita income is used for more specific evaluation.

Regardless of type of economic development strategy which may be adopted, all the countries of the world including developing countries are endeavouring to increase their GNP and per capita income. They are haunted by the myth of GNP and per capita income growth rhetoric. As a result, a host of problems previously unexpected by human race have begun to appear.

It is safe to say that these problems stand out especially among those countries that have employed the unbalanced growth strategy to emphasize development of the so-called chimney industries(secondary industries) such as the mining and manufacturing industry.

Specifically speaking, implementation of the mining and manufacturing industry-oriented policy has produced such serious problems as destruction of the ecological system and excessive urbanization due to population concentration. These problems

were inevitably followed by the problems of dehumanization.

In this context, although it is a somewhat belatedly taken measure, it is still fortunate that the academic and industrial sectors are actively engaged in a thorough reexamination of the solely economic development oriented policies and theories.

IV. Revision of Korea's Development Strategy

As a result of vehemently implementing unbalanced growth schemes to develop the secondary industries such as manufacturing and mining industries during the period of the 1st and 2nd Five-Year Economic Plans, Korea achieved a dramatic economic growth.

However, as discussed earlier, many serious problems have begun to surface in the wake of such a rapid and remarkable development. They include : destruction of the eco system, desolation of agricultural sector and dairy industry, increased air pollution and ensuing corruption of human nature.

Since the early 1970's when the 3rd Five-Year Economic Plan began, a few measures were taken to resolve unbalanced development among industries.

Furthermore, on the part of the government agencies, policies to improve natural surroundings and to restore humanity were also reflected in the various economic development related plans. The Korean government was very wise to do so.

It is also noteworthy that under the national motto of the welfare and justice society, the Fifth Republic adopted many meaningful humanitarian policies designed to help restore humanity. At the time of setting up the Fifth 5-Year Economic Development plan, the Korean government properly changed the name of this plan to the 5 the Five-Year Economic and Social Development Plan.

As Professor Kuznetz, a well-known econometrics scholar points out, when the agricultural production is at the state of stagnancy, growth of manufacturing industry will suffice to make a country semideveloped. However, it does not serve as a free ticket for a country to become an advanced country.

V. Korean Government's National Consciousness Reformation Movement

Examination of Korea's history discloses the fact that Korean people have conducted consciousness reformation movements for a long time.

However, my discussion here will be confined to the consciousness reformation movement ushered in since the establishment of the Republic of Korea in 1948.

The then ruling Liberal Party could not afford to spend time on formulating national consciousness reformation movement related policies in the aftermath of the Korean

War, and turbulent political developments, etc., during the period spanning from the Korean War in 1950 to the May 16 Military Coup in 1960.

Firstly, let me discuss the national consciousness reformation drive effective since 1962 when the First Five-Year Economic Development plan was started.

The Rehabilitation Movement, the first of its kind during this period, was initiated by the late president Chung Hee Park and led by Professor Dal-Young Yoo at Seoul National University. However, because it was led by government and no philosophy rather than by the civilian sector, this movement soon came to a halt.

Next came the Second Economic Leap Movement, which was improvised by President Park while he was attending a New Year press conference during the early 70's when the Third Economic Development Plan was full force. Korean people were perplexed at this proposed movement. However, because it was even devoid of fundamental definition, this movement came to an end quickly, without producing any practical results.

The third one was the Saemaul Movement, widely known as the New Village Movement. Also, initiated by President Park, this movement was chiefly involved in improving rural areas, pavement of roads, street cleaning, etc. In a strict sense, this movement fell short of the basic characteristics of a national consciousness reformation movement.

However, various suggestions and opinions from all strata of society were reflected in the execution of this movement, in which the civilian sector came to take the lead. As the national consensus was formed, this movement was gradually enhanced to a full scale, genuine national consciousness reformation movement. It was a great success. Diligence, Thriftiness, Cooperation and "Can Do Attitude", which were catchphrases of this movement, are spiritual concepts relating to human consciousness.

That is why I interpret this movement as a pure consciousness reformation movement. Unfortunately, however, after the death of President Park, this movement has dwindled amid the lukewarm participation by the people.

Unless enhancement of national consciousness precedes or at least catches up with development of the economy, society and politics, no country will be able to become an advanced country without hitch.

VI. Examples of Advanced Countries' Consciousness Reformation Movements

I would like to discuss the economic development pattern advanced countries followed to become what they are today ; the way these countries carried out consciousness reformation movements in parallel with development of their economy,

politics, so-ciety, and education.

In particular, I'd like to talk about the way these countries were successful in making their national consciousness reformation movements conducive to economic development. After this, let me deal with the future direction Korea is desired to pursue in carrying out national consciousness reformation movements.

Firstly, in the case of the United States, taking advantage of an astonishing economic development, the U.S participated in World War I and became victorious. Thanks to this, the U.S rose to the category of the first-class countries of the world.

However, as Professor F.L. Allen pointed out in his book, "Only Yesterday", the American people only set their hearts on luxury, degeneration, sexual violence, debauchery, etc. Yardsticks on ethics, and morality were shattered to pieces.

As the trend of the 3D's (avoidance of the Dirty, Dangerous, Difficult) became widespread many enterprises went bankrupt in the midst of the worsened financial situation. All of these, at last, triggered the Great Recession. Any society, where materialistic prosperity is coupled with dissipation, intemperance, widespread tendency of seeking after easy money, is destined to fall quickly. This type of society is like a cat in the air. It simply does not last long. The Great Recession taught people this bitter lesson.

In order to overcome this crisis, President Roosevelt worked out the New Deal policy. As an advocate of Pragmatism, President Roosevelt maximized all the potentials of intellectuals including John Dewey (1859-1952) and successfully formulated new educational policies which would help restore humanity imbued with corruption, waste, unearned incomes-seeking attitude, etc.

As a result, President Roosevelt succeeded in firming the spiritual foundation required for the sound and balanced development of politics, economy and society. This has helped the U.S maintain its position as one of the leading countries of the world. Commenting on the situation of those days in the history of the U.S Professor Galbraith stated, "A high standard morality was deemed essential for economic progress".

Although Japan is of the Confucian culture as in the case of China and Korea, Japan is the first yellow race to become a world's economic giant, after gaining supremacy over the white race. It is acknowledged that Japan owes what it is today especially to highly efficient education and balanced development in every nook and corner of society.

Since the Meiji Revolution, Japan recruited scholars from all strata of society and sent them to advanced countries. After being grafted to and harmonized with Japan's indigenous philosophies and systems, the knowledges and experiences gained by these scholars were utilized to the fullest extent through education. As a result, Japanese

came to have a deep-rooted philosophy that they should put national interests before public good and private interests.

As a traditional farming country, Germany belatedly engaged in economic development. However, Germany has emphasized the importance of education in order to induce and perpetuate spiritual development on the basis of balanced economic growth in tandem with the development of all fields of society.

The famous scholar of Germany, F. List attached so great an importance on the education of science and arts that he even stated. "Manufactures are the offspring of the science and arts." After World War II, Admiral. Denis of Germany said, "Allied Forces are free to control politics, economy, and the military of Germany. However, German education should remain intact under any circumstances." As such, he insisted that Germany had to adhere to its own type of education. This is a well-known episode.

In addition, the remarkable economic development Taiwan continues to enjoy is attributed to education based on the Three Principles of the People proclaimed by Sun Wen.

VII. Direction of Korean Government's conscious-ness Reformation Movement

So far, I have reviewed the national consciousness reformation movements of a few advanced countries which dominate the world in the field of economy.

These countries have one thing in common : their national cons-ciousness reformation movements are founded upon national education.

In this regard, I am led to conclude that education will also play a pivotal role in the successful implementation of Korea's future national consciousness reformation movement. Historically, Korea had such a high respect for ethics and morality that is was referred to as the country of courteous people in the East.

Korea's leading legitimate philosophies and ethics are based on "The Three Fundamental Principles and the Five Moral Disciplines in Human Relations.

The three principles include : Subjects for Kings Principle ; Children for Parents Principles ; Wives for Husbands Principle.

The Five Disciplines include : Loyalty between Kings & Subjects ; Friendliness between Parents & children, Hierachy between Husbands & Wives ; Order between the Old People & the Young ; Fidelity between Friends.

These principles and disciplines comprehensively provide for ethical requirements needed in public offices, society and the family. These basic concepts consist of the following philosophies : Worship of heaven and love for people ; respect for science ; deference for fidelity among people ; respect for gentlemanship.

Besides, although Korean failed to make its own practical science reach maturity, it should be noted that there had been a few distinguishing practical science scholars, comparable to F. List in Germany as mentioned earlier. Da San Chung was one such scholar.

According to Da San Chung, man is different from animals in that he has "Ethics and Technology". Da San maintained that true ethics should aim at economy based on ethics. He stressed the importance of ethics and economy in conducting business (work), saying that only those who work diligently deserve respect and reward.

As to technology, Da San stated, "Technology is culmination of spirit". He published *Theory on Technology*, in which he insisted that people's wellbeing depended on economic development through technology. He further emphasized that technological advancement should be made in relation to international trade.

It is my firm belief that Korea should adopt Da San's theory as a base for national education and make the most of it in overcoming difficulties Korea is facing now.

To be honest, education in Korea has neglected education of ethics and morality, and cultivation of characters. Instead, it has put a greater emphasis on students entrance to colleges. An old saying goes, there is no royal road in learning. The more difficult and painful educational courses you follow, the better result you will have.

In consideration of this fact, Korea should upgrade the quality of education so that an unshakable spiritual foundation may be laid. Only then, balanced development of all sectors of society will be guaranteed through renovated education.

One of the specific measures, I'd like to suggest, to accomplish this purpose, includes teaching students the Chinese Characters beginning in elementary school, as in the case of Japan; strengthening ethical education in accordance with the Three Fundamental Principles & the Five Moral Disciplines in Human Relations.

Now is the time for Korea to discard economic development oriented policies. I suggest that government agencies dealing with business concerning spiritual culture should have regular meetings, which will be chaired by a prime minister-level official.

After this, I suggest a fullscale national consciousness reformation movement should be implemented.

Some people insist that Korea will be able to achieve a second takeoff for economic development under a catchphrase, "Everything is possible with a Can-Do-Spirit"

However, because Korea has already accomplished materialistic prosperity, which means that Korea has become a semi-developed country. Korea definitely needs to initiate a new and high-level spiritual movement aimed at qualitative economic growth.

VII. Conclusion

Korea's economy is faced with a problem of limited growth. Experts agree that the reason Korea's economy is suffering from such serious difficulties is chiefly because the base for spiritual culture, rather than the materialistic foundation, is deficient. The main obstacle to growth and modernization of Korea is believed to lie not in the materialistic and technological limits, but in the lack of cultural and spiritual base.

What is urgently needed for Korea, I think, is a fullscale national consciousness reformation movement based on educational reformation, designed to firmly establish a cultural and spiritual infrastructure. As pointed out earlier, however, a consciousness reformation movement should not be part of a government-led pattern without philosophy in which the movement is compelled to come to an end by the change of political regimes.

Based on a far-reaching and feasible plan covering more than one century, a consciousness reformation movement should be one led by the civilian sector. This is a basic premise.

Then how could we successfully carry out a far-reaching national consciousness reformation movement?

On the basis of the facts discussed earlier in my thesis, I would like to present the following suggestions.

The national consciousness reformation movement aimed at economic growth should be followed by the determination of the optimal economic objective (in the case of Korea, the objective is to become as advanced country) and the optimal combination of the factors for the efficient accomplishment of the economic objective.

Here, the optimal combination of the economic growth factors refers to reasonable coordination and control of the various factors political leaders should employ to achieve the economic objective set up by the government. For better understanding, it is graphically shown as follows.

The true economic growth will be achieved only when uniquely Korean philosophy is established through a civilianled large-scale and continued consciousness reformation movement based on a balanced growth in political, legal, social, cultural, educational, ethical, economic and scientific surroundings. To this end, education in family, society and schools should be improved first.

On top of that what is more important is people's apathy towards political and legal systems can be recovered by changing through the election and other relevant systems. However, continuous efforts should be exerted to keep people from being indifferent to economic, social, ethical and educational systems, because this attitude is likely to lead to collapse of the national economy. If unchecked, it may even endanger the

national existence.

In this regard, more careful attention should be paid to the establishment of pertinent policies.

All things considered, I still take an optimistic view that Korea will easily become an advanced country, when its people have enhanced morality on the basis of continued sound national consciousness reformation movement and improved education programs.

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