

Globalization and the Quality of Life of Korean Farmers

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The economic well-being of Korean farmers has rapidly and greatly increased thanks to the rapid industrialization of Korea. On the other hand, the economic life of farmers has lost its stability amidst the vortex of the market. In addition to the cyclical crises of the agricultural market, urban and rural income inequality has degraded their quality of life. The relative deprivation of the rural area has forced rural youths to leave the countryside for cities. Thus, the average age of farmers has greatly increased compared to that of workers in other sectors. Youths sent by their rural parents to cities for higher education never return to the countryside to be farmers. Rural areas lose their population and one can readily observe the loss to the communities. Since the late 1980s, globalization has aggravated the quality of life of the farmers. By the pressure of the world powers, the Korean government was forced to change the principle of agricultural policy from family farm support to improvement of competitiveness. To improve competitiveness, the government has generously provided the farmers with low interest loans. Many farmers, including young promising ones, rushed to get these low interest loans from the government. However, price fluctuations and the Financial Crisis of 1997 gave a fatal blow to these farmers. Most farmers faced a debt crisis in the 1990s. They were experiencing the nightmare of globalization. Thus, despite the dramatic improvement in their economic well-being during the period of rapid modernization, their quality of life is so unstable that most farmers say that farming is not promising. Community life is very unsatisfactory. Medical and leisure services for the farmers are very poor. To improve the quality of life of the farmers, the government should pay more attention to the needs of aged farmers, e.g., medical and community services. In addition, to attract young farmers, educational and leisure facilities should be much improved.

Keywords: Quality of life, farmers, community life, globalization, debt crisis

We see two faces of the Korean economy in the 1990s, miracle and crisis, and can recall two images of the quality of life in rural Korea. Compared to other Third World countries, Korean farmers have been very successful in improving their quality of life. Three decades ago, Korean farmers were poverty-stricken. Since the 1960s, their quality of life has increased rapidly in terms of economic well-being.

In contrast to this economic well-being in absolute terms, a dark image of farming life has been more popular than a hopeful one. As income and economic well-being have improved, social and cultural demands of farmers have rapidly increased. Rural and urban disparity has deepened the relative deprivation of farmers (Kim, D. *et al.* 1982). As Tang (1998) argued from his study on the "Asian Newly Industrialized Countries," economic success does not guarantee social development. This statement is true of the quality of life of the farmers in Korea. Most rural houses are old and dilapidated. Rural schools are deserted. Farmers become aged. These are some direct indicators of the quality of life of the farmers.

The author wants to focus on objective aspects of the quality of life of the farmers in contemporary Korea. Since this paper does not use the method of statistical analysis, it does not discuss methodological issues in studying the quality of life. Here, I use a loose concept of the quality of life. I will use well-being as an interchangeable concept. I will discuss economic well-being, the demise of community, the impact of globalization, and the debt crisis. Economic well-being is a basic indicator of the quality of life. The factor of community is important as well, especially for farmers. Kim Dong-Il *et al.* (1982) and Kwon (1992) argued that the rural exodus threatens the development of community and basic services of a community such as economic, social, and cultural services. They emphasized the importance of community for the quality of life of the farmers. Choi and Noh (1991) also emphasized the importance of community services. To discuss the quality of life, we can not neglect the recent debt crisis in rural Korea. There is no doubt that the debt crisis had a very negative impact on their quality of life. Their recent debt crisis, which threatens even their survival, is a blow struck by globalization. The globalization of the Korean economy has forced the Korean government to open its agricultural market to foreign agricultural produce. Measures of protection have been denounced by the Uruguay Round, WTO, and domestic industrial capital. Their concerted attacks, in the name of globalization, have been delivered against the farmers.

It is not easy to get comprehensive data on the quality of farming life in

Korea. Compared to those of urban areas, statistics on farmers are difficult to obtain.¹ As Korea was rapidly transformed from a rural country to an industrialized one, it lost interest in separate rural statistics. Most statistics, even *Social Indicators in Korea*, do not give us separate data on farmers. Considering that the rural and urban disparity has become steadily enlarged, it is regrettable that most government statistics ignore rural and urban differences in Korea. In addition, most social surveys target the urban population on the premise of time and budget constraints.

To fill this gap, I use some existing surveys for this paper. Kim Dong-Il *et al.* (1982) conducted a comprehensive survey on the quality of life of the rural population in 1980. Aside from this work, similar surveys have not yet been done. To discuss the quality of life of the farmers, we can use only some items from other social surveys. Kim Il-Chul *et al.* (1993) did a social survey to study farmers' opinions in 1992. I also did my own small survey on the economic well-being of farmers (November 1999).² My two colleagues and I did a social survey on farmers of cash crops. The surveyed area is famous for its mini-tomatoes. Thus, the respondents do not represent farmers in general. Rather, they show the economic and social lives of more adventuresome and more business-oriented farmers.

From a Way of Life to Business

I have to first mention the social change in rural Korea that has enhanced the quality of life of the farmers. Rural development has been one of the most important goals of the developmental state. As most political leaders, the late President Park Jung-Hee himself came from a poor family of rural Korea. In his autobiography, he mentioned that his and rural poverty in general drove him to initiate the coup in 1961. At that time, modernization or development was almost synonymous with solving rural poverty.

1. Theoretical debates on the quality of farmers' life have not been carried out. Only a few descriptive studies can be found. Although democratization tends to have a great impact on people's quality of life (Shin 1994), there are no studies on the theme of farmers' quality of life. Quality of farmers' life is much more difficult to be defined and measured.
2. Sample size is 103. We gathered the sample from four hamlets that are famous for producing tomatoes. Tomatoes from this area are the most expensive in markets in Seoul. We interviewed all available farmers growing tomatoes.

By rural development, the government wanted to turn farmers who owned small plots of land into modern farmers who earned more cash income. Especially, during the period of the Green Revolution and the New Community Movement (*Saemaeul Undong*), the government made great efforts to encourage farmers to raise cash crops. At that time, cash crops were called income crops, which ensured farmers of income over and above what they derived from rice farming. Since most farmers relied on traditional rice farming, income sources were very limited. Thus farmers were ready to follow the advice of the government.

The increase of cash crops is an indirect indicator of the quality of life of farmers. According to Choi and Noh (1991), farmers who have more frequent opportunities to get cash income are more satisfied than those who do not. Thanks to the growth of cash crops, Korean agriculture no longer belongs to the natural economy. It is far beyond the subsistence economy. Most Korean farmers still have small-sized farm plots, which is typical of Asian farmers. But their farming is mostly market oriented.

Farming is a business for profit. Farmers must buy agricultural input from the market. They sell most of their harvest to the market and are desperately competing with each other for profit. Farming in Korea is literally a business, as it has long been in advanced capitalist societies. As Newby (1980) clearly described, farming is no longer a matter of life style. Agriculture has become increasingly rationalized in terms of a set of market conditions. Farmers purchase machinery, chemical fertilizers, seed, pesticides, and feed-stuffs, most of which are produced domestically. This purchased input enables the farmers to save on labor. Mechanization³ has particularly been very effective in reducing the labor input of the farmers. In addition to purchasing materials, they rely on credit from various types of banks (ordinary, government supported, and especially agricultural cooperative banks).

Farmers buy most of the food they consume because they concentrate on only one or a few crops. Thus, they produce more of certain crops than what they consume. Farmers sell much of their produce to wholesalers, processors, distributors, or to the state. Those who specialize in cash crops send most of their produce to the market. Since traditional rice farming does not give farmers as frequent occasions to lay their hands on added income as cash crops do, farm-

3. See Table 1 in the appendix.

ers get interested in cash crops. The New Community Movement and the Green Revolution triggered this desire. Judging from their major income, farming in Korea has changed from mono-culture (rice farming) into diversified farming since the 1970s. In 1995, about 45% of farmers got their major income from cash crops.⁴ The corresponding percentage was 30.8% in 1991. That is, the number of farmers who earned their main income from cash crops increased rapidly in the 1990s. For them, livestock, dry-field crops, fruit, vegetables etc. were more important than rice for cash income.

Korean agriculture is no longer a way of life for many, but a business that is at the whim of the market. Hence, the market situation, price support policy, and world trade will have a very great influence upon the quality of life of farmers. Farmers have had to face severe price fluctuations and the cyclical crises that are typical of a market economy.

As discussed below, many farmers have become bankrupt because of the price fluctuation of oil and agricultural produce since the financial crisis of late 1997. Furthermore, farmers who became bankrupt were not necessarily the rural poor; many were promising farmers.

Improvement in Economic Well-being

As Table 2 in the appendix shows, the level of income has dramatically improved in rural Korea as well as in the whole of Korea. The per capita GDP increased 125 times in 35 years when 1960 and 1995 are compared. During the same period, farmers' household income increased 390 times. In contrast to the rapid growth of household income, the family size decreased by half. These statistics make it obvious that the economic well-being of farmers has drastically improved during those years.

The average income of farm households was more than US\$18,000 in 1998.⁵ In 1997, before the financial crisis, the average income of farm households was about 29,000 US dollars. Considering that the average farm household consisted

4. Ministry of Agriculture and Forestry. *Yearbook of Agriculture and Forestry Statistics*

5. I calculated the income in US dollars; the currency exchange rate was 1,100 Korean Won per US\$1 in 1998, and that of 800 Korean Won per US\$1 in 1997. The big difference in the exchange rate resulted from the Financial Crisis in Korea. The average income in Korean Won came from *Farm Household Economy Survey Report 1998*.

of about 3.3 persons in 1998, per capita income of farmers amounted to about US\$5,500 in 1998 compared to US\$8,500 in 1997. The most successful farmers come from among those who grew cash crops or raised livestock. Before the financial crisis of the late 1990s, their financial status was very promising. Moreover they took advantage of government policies that were geared toward competitive farming. In addition, the rapid expansion of urban development enabled farmers to get enormous capital gains from their farmland.

Their economic success enabled rural sons and daughters to finish their higher education in cities. In Korean, the word *ugoltap* (tower of cow bones) is used to signify the successful education of a youth of rural origin. Farmers sold their most precious property, i.e., cows or farmlands to pay for their sons' and daughters' college education.

But this is not the whole story of farmers. Despite the increase in economic well-being, farmers have not enjoyed such comfortable lives as have people in cities. Community development was oriented to the amelioration of the village. But villages have been too small to satisfy community needs. Educational and medical services can not be fulfilled inside the villages. Leisure and cultural facilities have been far behind those found in cities. In the 1980s, the government tried to develop larger community movements without success. The rural exodus, which had begun long before, demonstrated the loss of hope among the rural population. The rural sons and daughters who went to cities to pursue higher education seldom went back to the countryside after their education was completed. Thus, the rural areas lost their young population. Newborn babies are seldom seen in villages today. Kwon (1992) says rural communities are disappearing rather than changing. Most farmers are so old and have such a low educational level that they can not leave the countryside for better jobs in cities.

Even though their economic life did not deteriorate in the 1980s, since the late 1980s young male farmers have had great difficulty in finding marriage partners. This imbalance of the sex ratio in the marriage market is an indication of the level of the quality of life for the farmers. Young ladies seldom want to be farmers or the wives of farmers.

Compared to the farmers of other Third World countries, Korean farmers have been very successful in improving their economic well-being but their level of satisfaction is not correspondingly high. Farmers' complaints grow and they often refer to themselves as *mu-ji-rung-ee* (dunces). Even when scholars ask questions about the everyday lives of farmers many reply, "What do we dunces know?" It seems that this negative expression arises from the fact that

farmers feel severe deprivation relative to the urban population. One survey (Hong 1992) shows that most farmers think their earnings are far below the value of their labor; they think they should enjoy more income from their exertion. While farmers have been considered conservative, Hong (1992) shows that farmers make up the group that has the most complaints against the social system of reward in Korea. His finding tells us something about the tide of violent demonstrations by Korean farmers in the 1990s.

Rural Exodus and Low level of Subjective Well-being

As mentioned above, despite the rapid increase of rural income during the last three decades, people have rapidly left the countryside for cities. Accordingly, the percentage of farmers has decreased dramatically. The percentage of farm households among the whole population was 58.2% in 1960, 44.7% in 1970, 37.5% in 1975, 28.4% in 1980, 15.5% in 1985 and 1990, and 10.9% in 1995.⁶ The number of those who left the countryside for cities was about 1,825,000 during the period 1965-1970, and about 1,754,000 during the period 1970 - 1975.⁷ The number greatly increased in the late 1970s and 1980s. The number was about 2,524,000 during the period 1975-1980, about 2,424,000 during the period 1980-1985, and about 2,329,000 during the period 1985-1990. As mentioned above, in 1990, the percentage of farm households included just 15.5% of the population. Although the rural population was already small, about 1,232,000 more people left the countryside during the period of 1990-1995. We can readily see that the number of farmers has drastically and rapidly decreased. Since the 1960s, the farming population changed from the majority to the minority in Korean society.

Jang (1995) and Lee Byoung-Ki (1999) argued that those who left the countryside were young, well educated people. They showed the selective migration of rural people toward cities. The selective migration of young, educated people deepens the skill and brain drain. Lee Byoung-Ki says that well educated people are in an advantageous position to get abundant information about high paying jobs and thus tend to easily move to cities.

6. National Statistical Office. *Korea Statistical Yearbook* 1999. Percentage of farm household to total population.

7. National Statistical Office, *Report on the Census of Population and Housing*. Annually.

Farmers invested most of their income in educating their sons and daughters. When they send their offspring to cities, they have to shoulder school and housing fees. The housing expenses of their kids in cities comprised a large portion of the living expenses of the farmers. Educating their children decreases the human capital of the farmers. Those who are educated by the support of their farmer-parents do not go back to the countryside to become farmers. Thus, the inequality of education between farmers and city dwellers increases. That is one of the reasons why farmers call themselves *mu-ji-rung-ee* (dunces). It means that farmers do not have pride in their occupation. They think they are laggards in the stream of social development compared to those who left the countryside for better jobs in cities. They suffer from a psychological inferiority complex vis à vis urban people (Jang 1995; Kim 1986).

The farmers' negative image of their own occupation shows up in social surveys. Kim *et al.* (1993) shows that farmers do not have a positive perception of their job. According to the survey, farmers responded to the statement of "*Farming as a job is promising*" as follows: 34.4% of the respondents opted for "absolutely disagree," 41.7% "rather disagree," 2.4% "strongly agree," 10.6% "slightly agree." Thus, 76.1% of the respondents disagreed with the statement that farming is a promising job. We should not neglect that farmers in general consider farming an undesirable job, and that younger and educated farmers have more negative images of farming as an occupation than do other farmers. Farmers below the age of forty have a slightly more positive attitude toward farming as a job than those of other age brackets. 66.7% of those below forty disagree with the statement that farming is a promising job while, in contrast, 80% of farmers from forty-nine to fifty-nine years of age agree with the statement. 70% of farmers aged 60 and above accept the statement. Thus, farmers of forty to fifty-nine are more pessimistic about their jobs than are other farmers. Farmers below forty years of age are comparatively young because the percentage of aged farmers in Korea rapidly increased

The survey asked farmers if they wanted to buy more land for farming. 70.6% of the respondents answered in the negative. Among those who answered negatively, 44.1% pointed out that they would not buy more farming land because agriculture is not promising, and 18.1% of them pointed out that they would not do so because farming is a hard life.

Another survey (Hong 1992) shows that farmers are experiencing an identity crisis. In the survey, it turned out that farmers gave a higher negative rating to their occupation than people of any other sector. In the survey, Hong observed

that respondents in general evaluated farmers at 36.1 on a scale from 1 to 100, seventeenth among the thirty job categories. But the farmers evaluated themselves at 25.2 on the same scale. The farmers were the group that gave the lowest points to their own occupation in the survey. That is, Korean farmers think less of their occupation than others. They experience frustration or relative deprivation, which is sure to lower their quality of life.

The survey also reveals that farmers do not enjoy the social prestige that was at one time customary. In traditional society, farmers enjoyed the second position, just below the literati, in the ladder of job division. Now they are viewed as occupying a position lower than that of supermarket keepers or team leaders of factory workers.⁸

Demise of Community and Social Well-being

Rural exodus has had a great impact on the community lives of farmers. Community life is one aspect of quality of life. Choi and Noh (1991) showed that male farmers who came from a community with more facilities have higher feelings of satisfaction than do those who came from a community with fewer facilities. In addition, because agriculture in Korea is a business, farmers can not live their lives isolated from the greater community.

The first impact of rural exodus on community is that rural communities lost younger people and faced the problem of reproduction. The selective migration of younger and better educated rural youth has had a detrimental impact on the farming community. Among the farming population, young farmers are in a more advantageous position to enter more profitable agri-business such as cash crops. The areas that have more young farmers than any other places are those where cash crops are more popular. Aged farmers stick to the "traditional method of farming," which pays less than cash crop farming.

Rural Korea has experienced rapid aging. The speed of aging in rural Korea is much faster than that in urban areas. 40.11% of the rural population was in the 15-29 age group in 1965;⁹ it was 6.9% in 1990. 18.6% of the rural population

8. Hong showed the respondents 30 kinds of occupation typical in Korean society. The highest occupation in the ladder of prestige was lawyer, the lowest one was casual worker. Owner-farmers were rated as seventeenth by the total respondents. See Hong (1992).

9. National Statistical Office. *Korea Statistical Yearbook 1999*.

was fifty and above in 1965; it was 56.3% in 1990. The biggest change took place among the age group of sixty and above. The percentage of that group was 5.0% in 1965, and 23.7% in 1990. Among the farmers in 1995, 25.8% were those sixty years old and older while 23.4% were of that age bracket in 1993. Among factory workers, it is difficult to find people who are sixty years old or above. The number of working people who were sixty years old and above was about 1,901,000 in 1998. Among them, 52.9% were farmers and 6.7% were workers in the manufacturing sector.¹⁰ These numbers indicate that the rural population is aging.

In addition to the problem of aging, rural communities have the problem of reproduction of the next generation. Farmers seldom have sons or daughters who take up farming as an occupation. That is, farmers have a problem finding successors. Further, they do not want their sons and daughters to be farmers. According to a survey (Kim *et al.* 1993), 80.4% of the respondents said that they advise rural youth to leave the countryside because agriculture is not promising. As Kwon (1992) said, the rural communities are dissolving and disappearing because they do not have a generation who will succeed the farming life to create communities.

Rural communities have difficulties in biological succession. Among farmers aged 25-29, the rate of male farmers who have wives was 66.9% in 1960, 59.3% in 1970, 54.1% in 1980, and the rate drastically decreased to 37.2% in 1990. Among the farmers aged 30-34, 97.4% had spouses in 1960, 97.6% in 1970, 96.2% in 1980, and 81.0% in 1990. The imbalance in the marriage market has been aggravated by the selective migration of younger people. This problem of unbalance is a direct indicator of the quality of life of the farmers.

The rural exodus has transformed the family structure as well. While the percentage of single-generation families was 12.7% in the whole of Korea in 1995,¹¹ in rural Korea it was 38.8%.¹² In contrast to the common opinion that rural areas are more traditional than urban areas, the family structure in rural Korea is far from being the traditional family structure. It means that farm families consist of an aged husband and wife. In Korea, the aged used to expect to

10. National Statistical Office. *Korea Statistical Yearbook 1999*.

11. See Table 3 in the appendix.

12. National Statistical Office. 1997. *Report on the Census of Population and Housing 1995*. A family of one-generation consists of family of one member or of one couple. The former was 16.9%, the latter 21.9%.

receive care from their sons or daughters, but today, old people are left behind in the countryside and have to fend for themselves. Social welfare for the elderly is not developed because the care of the aged has been considered to be the filial duty of their sons and daughters. Now, it is difficult for the elderly in rural Korea to expect to receive this traditional aid from their sons or daughters. Moreover, they do not have enough money to buy social care. Aged rural people, who see themselves as living in relative poverty, experience severe deprivation if compared with their urban peers (Jang 1995).

Second, the decrease in the rural population leads to the government budget cuts for community services in the countryside. Selective migration and aging have caused the closure of schools in rural areas. The closure of schools lowers the quality and opportunity of educational services. From 1982 to 1997, 3,302 elementary, middle and high schools in rural areas were closed (Park 1999). Elementary schools served as cultural centers before they lost young students. The closure of elementary schools signifies the loss of vitality in the life of farmers. The remaining students of the closed schools go to "neighboring schools". Preschoolers and elementary school pupils are forced to ride on public buses by themselves because schools in rural areas seldom have school buses. Teachers do not want to teach in rural schools because of inferior living conditions. The motivation of those who teach in rural schools is to get career bonus points, which the government gives as incentives to teachers who work in remote areas. Generally speaking, rural schools have great difficulty in securing good teachers. School equipment in rural schools is also poor. These factors force farmers to send their children to the cities. When they send them to cities, they have to shoulder the cost of urban housing for their children. Thus, farmers have a much heavier educational burden than urban people do (Park 1999).

Besides educational services, farmers have complaints about medical services and the quality of leisure and cultural facilities. My survey (November 1999) shows that 49.5% of the respondents complained about the poor quality of medical services in their communities. We can understand that despite the growing demand for medical services in rural areas because of an aging population, their health and medical services are not satisfactory. 61.8% of the respondents complained about the poor quality of leisure and cultural facilities in their communities. The poor quality of community services degrades the quality of life in general. The quality of community services is far behind the rapid increase of economic income in absolute terms. Thus, despite the rapid increase of income, farmers advise younger farmers to leave farming. Since the government will

pour more money into populated cities and less into under-populated areas, it is difficult to expect a quick change in the quality of community life of the farmers.

Nightmare of Globalization

The quality of life of farmers was hit by globalization as well as by rural exodus. Since the late 1980s, the Korean government was forced to open its agricultural market to foreign agricultural produce. From that time on, farmers have made a great effort to fight against the importation of foreign agricultural produce but without success. The Korean government changed its basic principle of agricultural policies from egalitarianism or protectionism to competitiveness or global competition. The government provided much funding to give farmers a competitive edge. New methods such as capital-intensive and technology-intensive farming were actively introduced by the government and farmers. Before the financial crisis, it seemed that the new farming methods would ensure the enhancement of farmers' economic well-being but this dream could not be realized due to the sudden financial crisis of 1997.

The financial crisis of 1997-1998 struck a fatal blow to the rural quality of life. Most farmers experienced a decrease in their income and an increase in their debt. Especially, those who arduously followed the advice of the government and undertook "new farming" were severely affected by the nightmare of globalization, the principal feature of the nightmare being the financial crisis.

The annual rate of increase in the income of farm households was 6.9% from 1995 to 1996, 0.8% from 1996 to 1997, and -12.7% from 1997 to 1998 (National Statistical Office, 1999b). The negative growth shows that farmers were severely affected by the financial crisis. During this period, the farmers' debt increased. Korean farmers experienced a 10.9% increase in debt from 1996 to 1997, and a 30.7% increase from 1997 to 1998. According to a survey by the National Statistical Office, the average farmer's debt was about 17,011,000 Won¹³ at the end of 1998. In the same year, farmers' debts equaled more than 80% of their income. This eloquently tells us that farmers suffered from the economic crisis. More correctly, far from living on their income, they are forced to "live on their debt." It is not difficult to imagine that farmers insistently asked

13. Approximately US\$16,000 if calculated at the rate of 1,100:1.

government to save them from their debt crisis. My own survey of November 1999 made it clear that even “promising” farmers were heavily in debt. The survey showed that only 23.8% of the respondents had income of more than 30 million Korean Won, and 63% of the respondents had debts of more than 30 million Won. Especially noticeable was that 56% of the respondents had debts of more than 40 million Won.¹⁴ The amount of their debt was larger than their income. It is not an exaggeration to say that rural Korea is bankrupt. Farmers think that the government made mistakes in persuading them to enter into the “profitable crop business.” Based on recommendations made by the government, farmers rushed into raising cash crops with heavy inputs of capital and technology. Over-investment ensued because government gave preferential treatment to the farmers who invested in the targeted area. Most investments failed because of the instability of the agricultural market. Clearly and unfortunately, the financial crisis of 1997 struck a fatal blow to the fragile farm economy.

In 1998 and 1999, farmers argued that the government was responsible for the failure of agricultural development policies. If we consider service from the government as one of the factors contributing to the quality of life, the agricultural crisis is sure to lower the quality of life for farmers. My respondents harshly criticized the most democratic government in Korean history, saying that the government did not keep its campaign promise related to farm debts. Thus, the nightmare of globalization degrades the quality of farming life, and forces the farmers to protest against their most democratic government.

Concluding Remarks: The Future of Farming Life in Korea.

This paper has discussed the economic well-being, the demise of the farming community, and the impact of globalization in order to demonstrate the decline in the quality of life of farmers in Korea. Industrialization and globalization have had a great impact on the quality of their lives. For discussion, the author mobi-

14. The readers will ask, how do they make a living then? They do not have to pay the debt in a year. Some are long-term low interest loans. Most of the loans were from the government or the National Agricultural Cooperative Federation (NACF). In my survey, almost 90% of the respondents received their loans from the NACF. The NACF is the Farmers Cooperative Federation, in reality a government-controlled bank.

lized statistics published by the government and used some social surveys. The quality of life of the farmers in objective terms has improved greatly during the last three decades. Rural modernization, the *Saemaeul* (New Community) Movement, and the successful Green Revolution have worked together to improve the quality of farmers' lives. During the last three decades, farm household income dramatically increased. In the 1980s and 1990s, farmers were able to send their sons and daughters to cities for college education. They invested as much as they could in the future generation. They were reluctant to improve the quality of their own housing or to raise their level of everyday consumption. High income does not necessarily ensure the farmers' higher quality of consumption. It does not bring an increase in the quality of life in general. Young people of rural origin seldom go back to the countryside for farming. Farmers have aged; ironically, farmers in their forties are thought to be 'young.' While we can not find factory workers who are seventy or above, it is not difficult to find farmers of that age. Farming is as physically labor-intensive as factory work. Aged farmers experience social isolation since they are losing their traditional community life. Observers can easily find the demise of community in rural areas.

The quality of economic life is threatened as well. Korean farmers as of now are business managers. They buy agricultural machinery and fertilizers, in addition to materials and seeds. They sell most of their crop, domestically and abroad. The market does not ensure stable prices; Korea does not have a price stabilization system for agricultural produce. Thus, Korean farmers suffer severely from price fluctuations. What is worse, Korea has been coerced into opening its domestic agricultural market to foreign agricultural producers and to reduce various domestic supports. Income support was a major principle of agricultural policies up to the early 1990s. Since then, the government has changed its focus of agricultural policies from family farm support to the enhancement of agricultural competitiveness. To speak in sociological terms, the former emphasized egalitarianism and, in contrast, the latter emphasizes economic efficiency. The Korean government poured more than 5 billion US dollars into agriculture to enhance its competitiveness. Farmers who are younger and enjoy more human capital have opportunities to exploit this enormous new input from the government's agricultural fund. In reality, not all farmers are ready to face harsh global competition. Not all farmers are able to get access to technology- and capital-intensive agriculture. Disadvantaged farmers who can not survive such harsh competition desperately need government subsidy. Thus, the government

has actively prepared rural welfare policies since the early 1990s. Lee Jeong-Whan (1999) projects that farmers in their late forties and above will seldom expand their business because of the shortage of family labor. Most of the disadvantaged farmers do not have a competitive edge and can not find other employment outside of agriculture. Thus they will continue to endure low income from farming. Quality of life for this class of farmers still remains a serious social problem and will continue to do so in the future.

The inverse stratification of occupations hinders young people from entering agriculture. In traditional society, agriculture was just one step below the literati. In terms of prestige, farmers held the second place in ranking. Industrialization entailed the degrading of farmers in social prestige in Korea. Since the 1980s, farming has been one of the lowest ranks in occupational prestige. What is worse, the concept of status is more and more accentuated. People are competing against each other in pursuit of higher status (Lett 1998). That is one of the reasons why farmers do not have any pride in their work or way of life. They think they are laggards in the competition for status in modern Korea. This social atmosphere will further aggravate the quality of life of farmers.

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APPENDIX

Table 1. Mechanization of Agriculture

	power tiller	tractor	power rice-planter	power harvester	binder combine
1960	153	0	0	0	0
1965	1,111	20	0	0	0
1970	11,884	61	0	0	0
1975	85,722	564	16	0	56
1980	289,779	2,264	11,061	13,652	1,211
1985	588,962	12,389	42,138	25,538	11,667
1990	751,236	41,203	138,405	55,575	43,594
1995	868,870	100,412	229,354	66,960	72,268

Source: Ministry of Agriculture and Forestry, *Yearbook of Agriculture and Forestry*

Table 2. Per Capita GDP and Income of Farm Households

	Per Capita GDP		Income of Farm Households	
	Korean won (1000 won)	US dollars	Korean won (1000 won)	family size
1960	9.9	\$79	56	6.23
1970	87	\$253	256	5.80
1975	287	\$594	873	5.57
1980	971	\$1,597	2,693	5.02
1985	1,952	\$2,242	5,736	4.42
1990	4,165	\$5,883	11,026	3.77
1995	7,739	\$10,037	21,803	3.23

Sources: National Statistical Office, 1998. *50 Years of Korea*.

Table 3. Types of Household

	1 generation	2 generations	3 generations	4 and more	one member
1960	7.5	64.0	26.9	1.6	-
1966	5.7	67.7	24.1	2.6	-
1970	6.8	70.0	22.1	1.1	-
1975	6.7	68.9	19.2	0.9	4.2
1980	8.3	68.5	16.5	0.5	4.8
1985	9.6	67.0	14.4	0.4	6.9
1990	10.7	66.3	12.2	0.3	9.0
1995	12.7	63.3	9.8	0.2	12.7

National Statistical Office. *Census of Population and Housing*

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