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Economic historians have never been interested in investigating the possible social and economic reasons for the division of Korea. Most scholars have long investigated the geopolitical origin for two Koreas, but not the possible socio-economic one. The geopolitical interpretation of the division of Korea has come and gone over the years. But, the current dissatisfaction with geopolitical analysis stems basically from what should be the viewpoint of understanding on the division of Korea.

While the role of the technological base in determining overall social change must not be overestimated, a basic dynamic of technical progress in pre-modern Korea differed at least from the model of progress derived from the Western experience as it imposed very different constraints upon social and economic development.

In short, unlike the Western path of labour-saving changes in agriculture that accompanied the rise of capitalism,<sup>1)</sup> pre-modern Korean experience could be characterized by the so-called 'input-driven growth'<sup>2)</sup> that accompanied a 'dynamic' combination of individualism and communalism. Nevertheless, little attempt has been made to hypothesize an alternative path of technological development as well as to examine the social and economic implications of such differences. The first of this paper are related to these issues.

This characteristic of pre-colonial Korean society was, however, broken down by Japanese rule, and the indigenous elements of individualism and communalism which had worked in combination were gradually divided into the two geopolitical entities of north and south, in such a way that only part of these elements could be

developed in each. Both colonial landlordism and industrialization helped these divisive tendencies. Colonial landlordism developed more in the south, while industrialization took place relatively fast in the north. But in neither case were the indigenous elements allowed to develop in a balanced way, which formed the background to the political division of Korea after World War II. The second part of this article gives a full detail of the effects of colonial landlordism and industrialization on the division of Korea.

I. Historically, the so-called 'primitive accumulation' preceding capitalistic accumulation supposes 'the capitalist differentiation of the peasantry' which in some measure determined its dynamic of evolution and its pattern of adaptation to such phenomena as capitalism. However, this eurocentric model will generally prove inadequate to explain the evolution of pre-modern Korean society.

The extended Todaro model helps us understand the difference between the capitalistic and non-capitalist differentiations of the peasantry. For example, as the result of an increased differentiation among the peasantry, the landless has a choice among tenants and wage-labourers in rural and urban sectors. According to Todaro, the landless migration proceeds in response to urban-rural differences in expected earnings with the urban employment rate acting as an equilibrating force on such migration.<sup>3)</sup> Of course, the extended Todaro model is obviously a drastically simplified notion of the historical reality, but it is broadly consistent with the evidence.<sup>4)</sup>

Thus, an essential prerequisite that the differentiation of the peasantry can lead to an industrialization in western Europe is the existence of urban sectors in which the rural population was attracted by the prospect of higher wages and better opportunities for employment.<sup>5)</sup> In this regard, the capitalist differentiation of the peasantry in feudal Europe was a result of interplay between a low land-productivity of harsh dry-farmed agrarian regime with low population densities on the one hand,<sup>6)</sup> and the existence of

autonomous towns as the production centre for urban manufacturers produced by 'the feudal parcellization of sovereignties' on the other.<sup>7)</sup> In Amin's terms,<sup>8)</sup> this relative autonomy of the European feudal town established its historical advantage (and its great flexibility)<sup>9)</sup> in the relative inferiority of dry-farmed agrarian regime.

The universal pretensions of the Western model of technological and economic progress have been strengthened by various scholars' claims to find 'feudal relations', 'sprouts of capitalism', or other elements of European social formations in *Chosun* Korea. But, the recognition of these superficial resemblances often serves to obscure more fundamental and determinant differences. In Todaro's words, there exists a possibility the rural population does not migrate into the urban sector.

Put simply, a basic trend of agricultural change of late *Chosun* society was the shrinkage and equalization of farming units in the decline of enlarged scale farming.<sup>10)</sup> Although the ownership of land tended to become concentrated in relatively few hands in the late *Chosun* dynasty when methods were improved and production increased,<sup>11)</sup> the household, rather than the estate, was the basic unit of both agricultural and commodity production. This resulted from undersized farms in connection with population increase and, as its consequence, the intensification and commercialization of agriculture depending upon a massive commitment of labour per unit land.<sup>12)</sup> Commercialization and the expansion of a commodity economy, however, brought not the waning of peasant family production, but a fuller elaboration and strengthening of it.

Moreover, an increasing switch to more labour-intensive commercial crops were produced by a greater use of labour for higher total values of output per unit land but often lower returns per labour day,<sup>13)</sup> because labour markets were not nearly so well developed, most certainly not for woman, children, and the elderly, or for the spare time of adult males, and thereby theirs was labour of little opportunity cost.

Thus, a remarkable historical resilience of the family farm<sup>14)</sup> was products of the following interrelated factors: the high yields of irrigated agriculture plus the high population densities, and, as its consequence, the longevity of a strong state<sup>15)</sup> plus parasitic towns of consumption or administration.<sup>16)</sup> In Amin's terms, again, this relative superiority of irrigated agriculture ironically established its historical weakness in a parasitic urban system. But, pre-modern Korean history show "a kind of undifferentiated unity of town and country," as compared with the European locus of history, whose further development proceeds through "the opposition of town and country."<sup>17)</sup>

Also, the strong state, whether through benevolence or self-interest, traditionally supported the rights of the individual peasant against aristocratic or gentry landowners.<sup>18)</sup> In this connection, the landlords could find no other alternative but resort to the state authority in case that the tenants refused to pay rent. In short, the landlordism in the *Chosun* dynasty society had never become a dominant relation of production.<sup>19)</sup>

Rather, it was a by-product of the development of productive forces, while a high degree of concentration of land-ownership inevitably forced many more peasants to reduce to tenantry on small plots of land. Hence, it became a subject of criticism and contradiction through the whole Korean history. The other side of the development of the productive forces brought the growth of tenants' proprietorship of rental land and it weakened a landlord-tenant relationship in the long term.

By and large there were two different types of peasants, a free land-holding peasantry on the one hand and tenants on the other hand. The latter in the long-term trend developed its proprietorship of rental land in the forms of permanent tenancy or topsoil owership or dual ownership until the late *Chosun* dynasty, while its social position ascended from the subordinate to the freeman. This topsoil ownership, or dual ownership,<sup>20)</sup> ensured not only a tenant's

permanent tenure, but also some prerogatives that he, as a proprietor, could exercise without the landlord's intervention. The tenant could freely sell, mortgage, bequeath, or sublease his topsoil rights.<sup>21)</sup> It implied a strong limitation on the landlord's prerogatives. Moreover, the fact that the tenant's position was strengthened even further, because the subsoil owners often did not know the location of the plots. Thus, the increase in absentee landlordship in the late *Chosun* dynasty society promoted favourable conditions for the tenant and favoured the greater autonomy of tenant smallholders.

More important is the social effect of the development of the productive forces on the gradual liberation of servants<sup>22)</sup> which destroyed an economic base of the *yangban* ruling structure.<sup>23)</sup> Thus, there had been a long trend of growth in tenants' proprietorship of rental land and social standings in pre-modern Korean society. Seen in this light, the pre-modern Korean society shows a 'dynamic', rather than paradoxical combination of individualism and communalism.

The development of the productive forces which magnified private elements in the community did not extinguish the spirit of communality,<sup>24)</sup> but rather increased its members' independence and thereby developed into the community with the individual's growing abilities.<sup>25)</sup> Put differently, as new techniques were applied and productivity rose, individuals, whether as tenants or landlords, acquired more managerial and economic independence, plus more political rights, while the spirit of communality was reproduced.

The failure of the state to reduce social and economic conflicts in the late *Chosun* Korea, however, by not preventing the draining of life-blood from the peasants by the *yangban*'s illegal extortions worked to the instability of the peasant economy.<sup>26)</sup> Seen in this light, a rash of popular uprisings and the revolutionary uprising of *Tonghak* Peasant Army of the 19th century, were popular resistances against the *ancien régime* which constituted an impediment to their desires to establish a new social order as well as a let-live peasant

family-farm system. Quite simply, these attempted to reduce social inequalities and promote communal harmony in the greater autonomy of individuals and the greater decentralization.

Thus, eurocentric models of historical change which have understandably been profoundly marked by the growth of capitalism based upon labour-saving changes in technology are not applicable to pre-modern Korea which had different conditions of productive force and class structure from Europe's highly experience. This difference is also found in the major concerns of the dynasty's dominant schools of thought of the 18th century known today as "Practical Learning" (*Sirhak*) and "Northern Learning" (*Pukhak*).

*Sirhak* thinkers took issue with the proponents of institutional reform aimed at the fostering of a healthy agricultural-based society-an agricultural economy based on the independent, self-employed farmers.<sup>27)</sup> Further, Northern Learning had a particular interest in the growth of commerce (especially foreign trade)<sup>28)</sup> plus manufacturing, in that it could virtually help absorb the gross under-utilization of available labour in the input-intensive peasant economy and thereby lead to a stable reproduction of the family farm on an expanded scale. That is, the input-driven and trade-stimulated growth was a reasonable solution to break both "the low-level productivity equilibrium and the pre-modern high-level technological equilibrium" traps,<sup>29)</sup> given that there was no significant amount of accessible resources but labour powers and that the absolute size of domestic market was particularly limited because of the reduction in agricultural surplus per capita.

II. We are now ready to examine how Japan's colonial rule affected the particular pattern of Korea's historical development, marked by a dynamic combination of individualism and communalism. Before the Japanese Annexation of *Chosun* Korea, the regional differences of natural environment did not constitute an impediment to an integration of social order, but in the Japanese colonial regime

it played a significant role in establishing different systems between South and North Korea.

First of all, after the annexation, with *Chosun* reduced to the status of a colony, the Japanese established the Land Survey Bureau in 1910 and promulgated the land survey law in 1912. Under the name of the modernization of land tenure relationships in *Chosun*,<sup>30)</sup> the Japanese ignored the dual land-ownership proper to *Chosun* Korea<sup>31)</sup> and modern Western concepts of private land-ownership or property relations displaced it.<sup>32)</sup> One result of this survey was that the number of large-scale Japanese landowners increased, while some among the former *yangban* class also became great landholders and continued to maintain the specially privileged position they had enjoyed in the past.

In particular, the Japanese regarded the ownership rights to privately held land to be vested only in the landlord and incidentally accorded no recognition to topsoil rights of the tenant farmers. In other words, many of those who tilled the land were laboured under a contractual relationship with the landowner, and as its consequence they were placed in the further disadvantageous position of losing the rights of tenancy that in the past had enabled many tenant farmers to acquire eventual ownership of the land they worked.<sup>33)</sup>

Thus, a (colonial) landlord-tenant relationship at last became a dominant relationship of land-ownership as a stable and lawful system of reproduction in colonial *Chosun*. More significant is that the colonial landlord system strengthened the structure of regional disparities between South and North *Chosun*, which gave rise to different patterns of political actions as well as a different social and economic structure.

For example, North *Chosun*'s natural conditions lowered the possibilities of double cropping. Also, the farming system of North *Chosun* relatively used land extensively, and livestock played more roles in this area. But, the high degree of intensity with which land could be used provided the South with comparative advantages of high annual yields per acre. As a result, in terms of cultivated



acreage per farm household, South *Chosun* was more densely populated than North *Chosun*.<sup>34)</sup>

Further, higher per capita agricultural output resulting from the higher yields of irrigated agriculture<sup>35)</sup> explains different landholding system between regions, because a large surplus above subsistence made investments in land by the landlords more attractive. Together, these factors produced a relatively high degree of concentration of land-ownership in South *Chosun*. That is more tenants and less owner-cultivators in South *Chosun* than in North *Chosun*.

Even though land-ownership might be relatively concentrated in the South, this difference in *Chosun* Korea is more or less offset by the limitation of the landlord's land-ownership by the state as well as the tenants' proprietorship of rental land which had existed in the forms of topsoil ownership or dual ownership. Seen in this light, the colonial landlord system aggravated South *Chosun*'s relatively unequal distribution of land by granting the landlord the exclusive ownership rights as well as by reducing the tenants' proprietorship of rental land to only a long-term tenure.

Also, this difference in land-ownership made for a very great difference in the interrelationships among state, landlord, and peasant in the two regions. In North *Chosun* many peasants were owner-cultivators who were taxed directly by the state, while the majority in the South were tenants who were taxed only indirectly via rent paid to the landlord. It implies that the southern peasants were easily influenced by landlords in water controls<sup>36)</sup> as well as in relations of land-ownership.<sup>37)</sup>

Thus, in land relations, many more peasants dealt with the state chiefly through the landlords, not directly, than they did in the North. As a result, the agrarian communities in the two regions came to have very different structures. The rural autonomy was greater in the North than in the South in that owner-cultivators were the rural backbone. In North *Chosun*, the peasant communities

could keep considerable organization (*Huang-Du* communities) from the colonial policy to clear peasant collective actions. In the South, however, where the decline of owner-cultivators weakened far and away the base of *Tu-Re* communities, community structures revolved mainly around kinship ties.

These different structures of communities affected the peasant's collective action, which chose different targets in the two regions. Although tenancy disputes were by far more frequent in the South due to highly developed landlordism, revolutionary peasant movements<sup>38)</sup> were concentrated in North *Chosun* around Hamgyōng Province rather than in the landlordism-developed South.<sup>39)</sup> For example, after the mid-1920s the peasant movements in South Hamgyōng Province aimed against the Japanese colonial policy such as policies of irrigation associations and sericulture promotion, and proceeded to revolutionary peasant union movements from the early 1930s which aimed at the overthrowing of the Japanese imperialist rule.<sup>40)</sup>

Further, it is noticeable that revolutionary peasant union movements developed around Hamgyōng Province in North *Chosun* in spite of a relative concentration of Japanese landlords in the South.<sup>41)</sup> For example, the concentration of Japanese land-ownership and its related fall of small to medium-sized Korean farmers were particularly serious within the irrigation districts<sup>42)</sup> because a few big landlords put down a considerable part of irrigation charges to the latter.<sup>43)</sup> But, the development of irrigation projects and the Korean farmers' responses had regional variations. The Japanese-led irrigation associations were concentrated in North Jōlla and South Kyōngsang Provinces, while the Korean-led associations were powerful in North *Chosun*.<sup>44)</sup>

Under the circumstances, is it a coincidence that Communist organizing had met with little success in the South, despite the high incidence of tenancy? The instability and insecurity of rural life<sup>45)</sup> plus the greater rural autonomy, despite a low incidence of tenancy,

made the peasants much more receptive to revolutionary mobilization.

The regional difference of socio-economic structure was also influenced by colonial industrialization. With the penetration of the modern Japanese economy into *Chosun*, Korea's industrial economy was growing apace and the proportion contributed by manufacturing industries to Korea's gross commodity product was 17.7 percent in 1925, but it had increased at a rapid rate to 22.7 percent in 1931, and to 39 percent in 1939.

Table 1. Outputs of Mining and Manufacturing Industries by Provinces  
(1,000 yen)

	1915	1920	1925	1930	1935	1940
NJ	3,448.4	10,465.8	10,909.1	10,462.1	23,888.7	51,915.1
SJ	4,670.5	17,432.8	26,714.8	22,337.8	35,950.5	91,420.1
NK	5,221.9	23,797.7	37,968.3	35,960.1	52,162.2	98,312.1
SK	6,897.9	22,136.1	29,530.2	34,081.0	74,441.2	160,975.1
SP	4,390.3	19,076.6	19,568.0	34,689.6	81,931.6	162,926.8
NP	7,848.2	18,557.2	20,926.2	18,792.4	36,322.3	63,622.8
SH	3,626.8	11,222.6	13,441.0	18,157.1	131,396.2	435,293.5
NH	1,347.5	5,353.6	7,029.4	9,027.2	35,679.6	176,347.9

Note : For abbreviated words of provinces, NJ=North Jölla, SJ=South Jölla, NK=North Kyöngsang, SK=South Kyöngsang, NP=North Pyöngan, SP=South Pyöngan, NH=North Hamgyöng, SH=South Hamgyöng.

Source : Japanese Government-General, *Annual Reports of Statistics of the Japanese Government-General*, various years.

As indicated above, in the process of the land survey, many of those who tilled the land inevitably fell to the level of marginal tenant farmers, or they were placed in the further disadvantageous position of losing even the rights of tenancy.

Moreover, the development of colonial landlordism was accompanied by the fall of the vast majority of those who managed to survive as independent farmers to subsistence level. These marginal farmers could not but be miserable, so that they migrated to Manchuria and Japan or became a source of an abundant supply of cheap wage labourers for urban sector.

Added to this, colonial industrialization undermined rather than added to stability in the *Chosun* countryside to the extent that it destroyed a base of rural subsidiary production. The result was the overall decline of Korean farm households in colonial *Chosun*. An oversupply of cheap labour forces<sup>46)</sup> led to the decline of the factory workers' real wage in the 1930s.<sup>47)</sup>

These favourable labour conditions, under the political protection of Japanese imperialism, had attracted the attention of Japanese investors. As a result of Japanese capital investment in a wide range of industries in *Chosun*, especially in the heavy chemical industry in North *Chosun*, the number of Korean wage labourers rose sharply and reached well over the two million mark in 1944.

Table 2. Industrial output by types of North *Chosun*

(unit : 1,000 yen,%)

	1931	1935	1938	1939	1940
Heavy Chemical Industries(1)	29,809.3	151,843.6	316,413.1	486,350.1	630,423.0
	36,465.1	187,663.9	417,221.1	601,188.8	797,834.5
Light industries(2)	36,949.8	74,051.1	139,308.3	176,395.4	223,692.4
	51,509.7	96,433.2	189,122.4	233,595.7	284,639.6
(1) / (1+2)	44.7	67.2	69.4	73.4	73.8
	41.4	66.1	68.8	72.0	73.7

Note : The numbers in the first line are outputs for Pyŏngan and Hamgyŏng Provinces, while the numbers in the second line are total outputs of North *Chosun*. Heavy chemical industries include metal, machine and tool, ceramic, chemical, and gas and electric industries, while light industries include textile, lumber and wood products, printing, food, and other industries.

Then, an increased demand of wage-labour force, as long as there exists urban-rural differences in earnings, would entice more and more of the rural population from the poorest among the peasantry to industrialized cities, a process known as proletarianization or urbanization, but with various degrees depending upon many factors such as regional disparities in the availability of resources and the marketability of output.

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Table 3. Manufacturing output by industry of South *Chosun*

(unit : 1,000 yen, %)

	1931	1935	1938	1939	1940
Heavy Chemical Industries(1)	15,168.1 38,610.1	26,347.4 56,080.9	36,309.9 89,941.9	53,868.8 133,226.3	70,829.9 240,425.4
Light industries(2)	86,210.7 155,134.1	150,703.3 267,551.4	230,313.4 445,546.6	269,022.6 530,275.9	331,793.6 636,100.9
(1) / (1+2)	14.8 19.9	14.9 17.3	13.6 16.8	16.7 20.1	17.6 27.4

Note : The numbers in the first line are outputs for Jölla and Kyöngsang Provinces, while the numbers in the second line are total outputs of South *Chosun*.

Source : Japanese Government-General, *Annual Reports of Statistics of the Japanese Government-General*, various years.

For example, during the period of rapid industrialization, there was a considerable outflow of agricultural populations to non-agricultural sectors. Between 1930 and 1940, about 962,000 of the Korean farming population left rural communities, but only 412,000 among them were employed in non-agricultural sectors. Moreover, non-agricultural sectors of South *Chosun*, except Kyöngki Province, experienced a decrease of 70,000 employees, while there was a big increase of 341,000 employees in North *Chosun*.<sup>48)</sup>

Table 4. Composition of occupation in South and North *Chosun*

(in percentages)

	1909	1915	1920	1925	1930	1935	1939	1940	1941	1942
	South <i>Chosun</i> (Jölla and Kyöngsang Provinces)									
Agriculture	89.9	89.6	88.9	81.8	82.5	81.4	80.2	80.8	79.9	77.2
Manufacture	0.8	1.1	1.6	2.0	2.0	1.7	2.2	2.1	3.0	3.5
	North <i>Chosun</i> (Pyöngan and Hamgyöng Provinces)									
Agriculture	91.8	87.5	85.7	81.1	77.7	72.8	66.6	62.8	59.4	56.3
Manufacture	0.8	1.4	2.1	2.5	2.5	4.0	6.9	7.8	10.0	11.3

Note : <sup>1</sup> Including only Korean.

<sup>2</sup> The agriculture for the year of 1915 includes the fishery.

Source : Calculated from *Annual Reports of Statistics of the Japanese Government-General*, various years.

According to the “relative productivity hypothesis”,<sup>49)</sup> areas industrialized earlier where the farming technologies are less

labour-intensive or unfavourable agricultural conditions lead to the early industrial dominance and thereby the relative increase in wages. Therefore, the poor conditions in agriculture, taken together with the potential for an abundant supply of cheap hydroelectric power and mineral resources<sup>50)</sup> plus the geographical of Manchuria market, affected an outflow of poor farmers in the North more than in the South benefited from much richer soil.

In other words, despite the overall decline of Korean farm households in colonial *Chosun*, the differentiation of the peasantry had regional variations.<sup>51)</sup> For example, less than one percent of the total population was employed in the mining and manufacturing industries both in the South and North around the year of Japan's Annexation of *Chosun*. But with its different pattern of development, its ratio the North more than tripled that of the South by the early 1940s (11.3 percent and 3.5 percent respectively).

Further, 71% and 42% of all farm households worked with small holdings of less one *chôngbo* in South and North *Chosun* in the early 1920's. In the late 1930's it increased by 79% in the South, while it reduced sharply by 37% in the North. In particular, Hamgyông Province, which became the site of major concentrations of new industrial plant, experienced a rapid decline by 31.5% and 20.1% in South and North Hamgyông Provinces. Given a widening productivity gap between agriculture and manufacturing,<sup>52)</sup> this relative industrialization of the North which increased demand for labour and thereby reduced its marginal farmers had an effect on increases in their real income.<sup>53)</sup> In other words, per capita wage was higher in the North than in the South in part because of the disequilibrium of the labour market and in part because of a strong spirit of communality.<sup>54)</sup> According to a theory of human capital, higher real income in the North can be explained in terms of "a high standard of education as well as a mania for education".<sup>55)</sup>

Another related indicator, the ratio of farm households with holdings of 1 ~ 3 *chôngbo*, strengthened a communalistic or equalitarian

atmosphere in the North and a further polarization in the South's society. Between the early 1920's and the late 1930's the South experienced a decrease of 2.8 percent, while the North experienced a big increase of 12.1 percent.<sup>56)</sup> Again, the fact that revolutionary peasant movements were most concentrated in North *Chosun* around Hamgyong Province resulted from these regional features.

III. To sum up, the nature of pre-colonial Korean agricultural society was characterized by a remarkable historical resilience of the family farm, in that the development of the productive forces in agriculture resulted in the shrinkage and equalization of farming units in the decline of enlarged scale farming, and in that commercialization and the expansion of a commodity economy brought a fuller elaboration and strengthening of it. Seen in this light, the *Chosun*'s handicraft industries, crucially different from the cottage industries in the early modern Western Europe that became a springboard to later industrialization, remained interlocked with family farming.

Also, the different conditions of productive forces produced its own land-ownership. And the development of productive forces brought the growth of private land-ownership but within the context of limitations by the state. It does not mean simply the limited development of private land-ownership, but the different one from Europe's highly specific experience.

As a result, the landlordism of pre-colonial Korean society had never become a dominant relation of land-ownership. For example, a distinctive feature of landlordism in the late *Chosun* dynasty society was its high instability, and the degree of concentration of land-ownership shows both intraregional and interregional variations depending upon the existence of extra-economic compulsion.

In fact, landlordism or concentration of land-ownership was a by-product of the development of the productive forces on the one hand, and the result of the collapse of state authority or of the

failure of the state to reduce social and economic conflicts on the other hand. Hence, it became a subject of criticism and contradiction through the whole Korean history. Further, the other side of the development of productive forces brought the growth of tenants' proprietorship of rental land and it weakened a landlord-tenant relationship in the long term.

Thus, pre-colonial Korean society shows a 'dynamic' rather than paradoxical combination of individualism and communalism. The development of the productive forces which magnified private elements in the community did not extinguish the spirit of communality, but rather reproduced it.

However, Japanese rule broke down this long-standing Korean evolution. By applying Roman or modern Western concepts of private land-ownership, the Japanese regarded the ownership rights to privately held land to be vested in the landlord and to the land connected with government revenues in the government agency. As a result, landlordism as well as concentration of land-ownership developed more in the south.

Also, colonial industrialization helped increase a relatively unequal distribution of land and income in South *Chosun* in the overall decline of Korean farm households, which imposed very different constraints upon social and economic development before and after the Liberation of Korea. Thus, the indigenous elements of individualism and communalism which had worked in combination were gradually divided into the two geopolitical entities of north and south by both colonial landlordism and industrialization.

- 1 See, for example, M. Mann, "European Development: Approaching a Historical Explanation," in J. Baechler, J. A. Hall and M. Mann (ed.), *Europe and the Rise of Capitalism*, (Blackwell, 1989), pp. 6-10.
- 2 This form of growth has basically persisted in capitalist industrialization in Korea. See, for example, A. Young, "The Tyranny of Numbers:



Confronting the Statistical Realities of the East Asian Growth Experience,” *Quarterly Journal of Economics* 110 (Aug. 1995), pp. 641-80; Seung-Rok Park and Jene K. Kwon, “Rapid economic growth with increasing returns scale and little or no productivity growth,” *Review of Economic and Statistics*, 77:2 (May 1995), pp. 332-51.

- 3 Let's assume that  $L(=L_R+L_M)$  is defined as total workers in the economy where  $L_M$  and  $L_R$  are numbers of employed in the modern and rural sectors exogeneously fixed, respectively. Then, there can exist unemployed urban workers which are  $(L-L_R-L_M)$ . Also, assume that  $W_M$  and  $W_R$  are fixed urban and rural wages, respectively. Now, assuming that workers base their migration decision on their expected incomes, then migration equilibrium is as follow:  $W_R=\{L_M/(L-L_R)\} \cdot W_M$ . From this equilibrium condition, we can obtain  $L_R=\{L \cdot (W_M/W_R) \cdot L_M\}$ , and thereby  $\Delta L_R=-(W_M/W_R) \cdot \Delta L_M$ . Thus, if the number of urban jobs is raised by one unit, rural employment falls by  $(W_M/W_R)$  units. That is, creating one additional job in the urban sector induces  $(W_M/W_R)$  people to migrate into the urban sector so that urban unemployment rises. M. P. Todaro, “A Model of Labor Migration and Urban Unemployment in Less Developed Countries,” *American Economic Review*, 59 (1969), pp. 138-48.
- 4 For example, Goraux has found a positive correlation between, on the one hand, the net annual rate of migration and, on the other hand, the difference between the level of industrial wages in the chief town and the level of agricultural wages. L. M. Goraux, “Les migrations agricoles en France depuis un siècle et leurs relations avec certains facteurs économiques”, *Etudes et Conjoncture* (April 1956).
- 5 It does not mean that I accept the “pull-rather-than-push” interpretation of labour mobility because both ‘pushes’ and ‘pulls’ performed their own particular functions. For example, even Marx did not deny that proletarians were pulled into the manufacturing sector in search of higher wages. From the Marxian point of view, however, the push provides the historical basis for the “pull” in that the rise of capitalism and the creation of the proletariat provides the historical basis for the

- accumulation of capital and the exploitation of free wage-labour. W. Lazonick, "Karl Marx and Enclosures in England," *Review of Radical Political Economy*, 6:2 (1974), pp. 1-59.
- 6 F. Bray, *The Rice Economies Technology and Development in Asian Studies* (Basil Blackwell, 1986). Thanks to its ecological fact, however, European agriculture could develop 'intensive technology' — the ability to use a few inputs 'intensively', that is to mobilize a few people, animals and tools over a small area so as to increase the productivity of the inputs. M. Mann(1989: 7).
- 7 P. Anderson, *Passages from Antiquity to Feudalism* (London, 1978), p. 150.
- 8 S. Amin, *Class and Nation* (New York, 1980) ; "Modes of Production, History and Unequal Development," *Science & Society*, 49:2 (1985), pp. 194-207; *Eurocentrism* (New York, 1989).
- 9 Mann puts the core of the medieval achievement by the 'restless instability' regulated by an unseen hand, not Adam Smith's but Jesus Christ's, that is, a mixture of intensive local power autonomy and of extensive normative regulation. M. Mann(1989: 12-16)
- 10 Using the data of 233 counties during the years of 1910 to 1912, Young-hun Lee found that there was a positive relationship between the productivities of labour and land, while both productivities were in inverse proportion to the arable land per capita. Young-hun Lee, *The Socio-Economic History of the Late Yi Dynasty* (Seoul: Hankilsa, 1988), pp. 555-58.
- 11 For example, once the Japanese invaders had been repulsed in 1597, a reform of the land-tax laws in Chosun such as the Uniform Land Tax Law (*taedongpōp*) and the Equalized Tax Law (*kyunyōkpōp*) allowed for rapid advances in agricultural technology (in particular the expansion of irrigation, the spread of double-cropping of rice and wheat as well as furrow-seeding method of cultivating dry-fields) and agricultural diversification (tobacco and ginseng become important exports to China) on the one hand. On the other hand, concentration of power in the hands of a succession of royal in-law families since the 17th century brought it with disorder in the governing process, and the

suffering that ensued therefrom fell on the shoulders of the peasantry. The result was a polarization in rural society between the landlord class and those who had been unable to hold on to their small plots of land. Landless peasants mostly became tenant farmers, while some became the hired hands of the rich peasant class and others took up a life of vagrant begging or joined robber bands.

- 12 In the early *Chosun* dynasty, the productivity of labour was greater than that of land, but the latter began to exceed the former since the mid-sixteenth century. However, this reversal of relation was attributable to the increase in population which drastically decreased the arable land per capita, not to increased land productivity se. It was not until the 17th century that the actual productivity of land increased remarkably. Ho-Chul Lee, *A Study in the Agricultural History of the Early Yi Dynasty* (Seoul: Hankilsa, 1986), pp. 741-51.
- 13 For example, tobacco cultivation, one of the most popular commercial crops in the late *Chosun*, was much more labour-intensive than traditional dry crops. Input-driven growth is evident in the dramatic spread of tobacco cultivation by the 18th century. We find that tobacco brought a higher net income (not counting labour expenses) per unit land (sometimes almost twice per *danbo*) than traditional dry crops, but labor requirements were also very much higher (2.8 times in average over regions) in tobacco cultivation. Young-Hak Lee, "Production and distribution of tobacco in the 18th century," *Hankook Saron*, 13 (Seoul: Seoul National University, 1985), p. 210. Further, the production costs for tobacco such as fertilizer cost, but not counting labour, were considerably higher. The same patterns of input-driven growth marked sericulture. Sericulture inarguably brought increased returns per unit land. Rice required 17.1 days of labour per *danbo* in the early 1930s, compared with 372 days for growing mulberries and feeding silkworms. Hyeh Soo Kim, "Reorganized Structure of the Silk-Raising Farmers by Silk-Spinning Monopoly Capital under Japanese Colonial Rule," *Review of Economic History*, 13 (Seoul: The Korean Economic History Society, 1989), pp. 47-48.

- 14 The most striking and significant feature of a pre-modern Korean agriculture was that although the ownership of land tended to become concentrated when methods were improved and production increased, economies of scale did not apply as in Europe, and the basic unit of management remained the small family farm.
- 15 Wet-rice agriculture depending upon irrigation required a strong state which presupposed "the existence of free land-holding peasantry" who was directly taxed by the state, because peasant farmers were easier to tax than gentry. Chris Wickham, "The Uniqueness of the East", *Journal of Peasant Studies*, 12:2 & 3 (Jan./April 1985), pp. 164-94
- 16 Of course, urbanization in pre-modern Korean society did go well beyond the merely administrative city. But the rise of cities and towns under a centralized administrative system, e. g. *Kun-Hyŏn* system, had little to do with its own production: they never became production centers for urban manufactures targeted at peasant consumers. For example, the countryside furnished the urban elites with silk and cloth, and rent and tax grain, but received little in return.
- 17 K. Marx, *Pre-Capitalist Economic Formations*, translated by J. Cohen (Lawrence & Wishart, 1964), pp. 77-78.
- 18 Since the land's productivity and thus its population-carrying capacity were low in feudal Europe, control over labour was crucial to the dominant class. So, the peasant producers had access to land only through establishing tributary relations with a member of this dominant class, and there was no market through which producers might acquire proprietary rights in land. F. Bray, (1986: 175)
- 19 In fact, Chŏng Yag-yong (1762-1836), one the greatest *Sirhak* thinkers, argued that there only existed two landowners in Chosun dynasty society, the state and the cultivator, which implied the dual landownership, while he condemned the landlords for their land-ownership and it for the pauperization of peoples and state. "Shimunjip," in *Chŏngdasanjŏnsŏ*.  
( "臣竊觀湖南之欲 租與種子皆佃夫出之 臣以爲俗當禁也. …臣請厥其本而言之 臣嘗謂田有二主 其一王者也 其二佃夫也. 詩云普天之下莫非王

土 王者其主也。 詩云雨我公田 遂及我私 佃夫其主也。 二者之外 又誰敢主者哉。 今也 富彊之民 兼竝唯意 王稅之外 私輸其租 於是 田有三主也… 私門輸租 雖一粒半菽 猶爲無義 況我東立制 困循貉俗 縣官之稅 大約二十取一仁於三代之法 遠矣何及私門之租 什取菽其五哉。 民困國貧 上下匱竭 皆此故也…” ‘擬嚴禁湖南諸邑佃夫收租之俗子’ 『丁茶山全書』 「詩文集」, 文, 第一集, 卷九)。

- 20 Unlike his European counterpart, the Korean cultivator under this system was free to subrent or sell his cultivation right without the consent of the subsoil owner or landlord. The two rights were essentially held autonomously, in the sense that sale of one did not affect the continuance of the dual ownership.
- 21 See, for example, Jong-Ho Heo(1965), *A Study of Tenancy in the late Feudal Chosun*, Rerpinted edition (Seoul: Hanmadang, 1989); Yong-Ha Shin, "A relationship between *tohikwŏn* (topsoil ownership) in the late Chosun dynasty and permanent tenancy in colonial Chosun : On the decline of tenants' *tochikwŏn*," in *A Study of Modern Korean Social History* (Seoul: Ilchisa, 1987), pp. 191-97.
- 22 Here, serfs were never a part of the Korean agrarian system, and the Korean form of slavery differed in many significant respects from its European counterpart. Young-hun Lee, "The Nature of Servants in the early Chosun dynasty from the old records," *Hankuk Sahak*, 9 (Seoul: Institute of Korean Spirit and Culture, 1987), pp. 91-169. Also, Erkes argues that as a general rule, given the importance of individual skills and experience in developed rice technology, it seems improbable that serfdom was ever compatible with intensive rice cultivation. E. Erkes, *Die Entwicklung der chinesischen Gesellschaft von der Urzeit bis zur Gegenwart, Proceedings of the Leipzig Academy of Science 100*, 4 (Berlin: Akademie-Verlag, 1953), p. 2.
- 23 "The number of [servants] on the government's rosters had fallen from 350,000 in the 15th century to less than 200,000 by the 17th century. This decrease was caused in part by the destruction of servants records and scattering of the [servant] population during the Hideyoshi invasion,...[or in part by obtaining free atatus by performing military

service which was the duty of the freeborn]... Even those government [servants] still carries on the rosters no longer in fact performed labor for the government, nor did they pay a labor remission fee, so that they too were in effect free. This was [also] true of many of the privately owned [servants], whose hard-pressed yangban masters had difficulty keeping them. Under these circumstances the government itself decided to free its remaining servants, and in 1801 the rosters of government servants were ordered burned.” Ki-baik Lee, *A New History of Korea* (Harvard University Press, 1984), pp. 251-52.

- 24 The egalitarian redistributive nature as well as egalitarian ideology forced the state to seform the inequalities of the commune. An example of the egalitarian redistributive policies was the grain loan (*hwan'gok*) system under which loans were made to poor peasants from government stores in the lean spring months and were to be repaid at harvest time with a wastage (*mogok*) charge of ten percent. Also, a strong case in favor of populist land reform of the 'land-to-the-tiller' type which demonstrates clearly the desirability of reducing institutional inequalities was the reform program of a revolutionary peasant struggle in 1894. The *Tonghak* Peasant Army attempted to distribute land equally for cultivation by owner-farmers. Further, despite the numerous inequalities, the 'skill-oriented' nature of intensive rice cultivation obliged the upper strata to give the the poorer members direct access to land.
- 25 Bray(1986: 170) expresses it “an inherent tension in rice-growing societies between individualism and the spirit of communality required to keep irrigation networks functioning smoothly.”
- 26 Afer the mid-Chosun dynasty political power was concentrated in the hands of a few great families. And, the consequent excercise of governmental power by them was related to a number of unlawful practices which increased the burdens of the poor households and in turn peasants fleeing and the farm villages becoming ever more impoverished.
- 27 For example, Yu Hyöng-won(1622 - 1673) advocated a “public land

system” under which the state would hold title to the land and allocate a fixed amount to each farmer; Yi Ik(1681-1763) proposed an “equal field system” that would guarantee in perpetuity to each peasant household the smount of land minimally necessary to maitain its livelyhood; and, Chong Yag-yong(1762-1836) urged adoption of a “village land system” whereby land would be owned and tilled in common by each village unit, the harvent then apportioned on the basis of the labour actually performed by each individual.

- 28 For example, putting a special stress a foreign teade, Jeka Park(1750-1805), one of the greatest *Pukhak* thinkers, augued that one of the best way to improve people's living standards is to expand markets by developing transportation facilities, and, above all, the state should support the activities related to foreign trade. ( “我國 國小而民貧 今耕田疾作 用其賢才 通商惠工 盡國中之利 猶患不足 又必通遠方之物而後 貨財殖焉 百用生焉. 不百車之載 不及一船 陸行千里 不如舟行萬之爲便利也 故通商者 又必以水路爲貴 我国 三面環海 西距登萊直線六白餘里 南海之南 則吳頭・楚尾之相望也…故知今之衣綿布・書白紙而不足者 一通舶則被綺紈・書竹紙而有餘矣. 向者倭之未通中国也 款我而貿絲于燕 我人得以媒其利 倭知其不甚利也 直通中國而後已. 異國之交市者 至三十餘國…” ‘通江南・浙江商舶議’, 『北學議』)
- 29 M. Elvin, “China as a Counterfactual,” in J. A. Hall and M. Mann (ed.), *Europe and the Rise of Capitalism*, (Basil Blackwell, 1989), pp. 101-12.
- 30 The Japanese historians of the early 20th century sought to rationalize Japan's colonization of Korea on the grounds of Korea's cultural backwardness and more specifically to justify the infamous land investigation registration program of the 1910s because of the absence of any system of modern private property. Also, the private ownership of land is of special concern to contemporary Korean historians who tend to see the emergence of private property in land as a sign of historical progress.
- 31 A good example is a distinctive feature of the commune (*kongdongch'e*) and its related land-ownership. The village commune marked by the absence of social differentiation played an important role in the

conceptualization of land relations. But, it does not imply the absence of private property in land, rather private land-ownership was possible within the context of the village commune. Also, the relationship of the village commune to the bureaucratic state was not clear cut. It is the lowest unit of political control while it represents an encapsulated cell resistant to the intrusive force of the centralized state. That is, it protects the individual from direct state control, but also constitutes an impediment to Roman or modern Western concepts of private land-ownership or property relations by subordinating individual rights to the collective good. In this regard, private land-ownership could exist within the context of limitations by the state. J. B. Palais, "Land Tenure in Korea : Tenth to Twelfth Centuries," *Journal of Korean Studies*, 4 (1982-83), pp. 74-75.

- 32 See, for example, Miyajima, *A Study of History of Land Survey Business in Chosun*, (Tokyo University, 1991). For a brief survey of the criticisms, see Sukkon Cho, "A Reappraisal of the *Yang An*(量案) and the Land Registers," *Review of Economic History*, 19 (Seoul: The Korean Economic History Society, 1995), pp. 135-36.
- 33 See, for example, Ki-baik Lee(1984: 356); Jong-Ho Heo(1965: 198-204).
- 34 Around the Japanese Annexation of *Chosun*, cultivated acreage of south provinces ranged from 0.56 to 0.86 *chôngbo* (1 *chôngbo*  $\approx$  2.45 acres) per farm household, and from 1.10 to 2.25 *chôngbo* in the North. Young Cheol Kim, "The Agricultural Structure of *Chosun* around the Japanese Annexation of Korea," *Review of Economic History*, 13 (Seoul: The Korean Economic History Society, 1989), p. 20. Also, in the mid-1930s nearly 73 percent of all farm households in the South worked small holdings of less than one *chôngbo* against about 36 percent in the North. The next year of the Liberation also shows a similar trend: the average cultivated acreage of the South was a mere 0.52 *chôngbo* per farm household, compared to 1.63 for North *Chosun*. Calculated from the following sources: For South *Chosun*, *Economic and Social Aspects before and after the Liberation by Statistical Data* (Seoul: The Office of Statistics, 1993), pp. 26-27; For North *Chosun*, *A Book of Statistical Data of North Korean Economy 1946-1948* (Seoul: Hallim



University, 1994), p. 33.

- 35 Around the Japanese Annexation of *Chosun*, gross income per *chôngbo* ranged from 50.81 to 97.42 yen in the South in contrast with the North of 20.65 to 46.73 yen. Young Chul Kim, *op. cit.*, p. 20. Also, an average rice yield amounted to 14.63 *söks* (1 *sök*  $\approx$  5.12 U.S. bushels) per *chôngbo* in 1940 in the representative south provinces--*Jôlla* and *Kyôngsang* Provinces, compared with 13.37 *söks* in the representative north provinces--Pyôngan and Hamgyông Provinces. Calculated from *Annual Reports of Statistics of the Japanese Government-General, 1940*.
- 36 For example, the concentration of land by the Japanese landlords was especially serious in zones with an irrigation association. As a consequence, the farmers' overburden for irrigation association furthered the fall of small to medium-sized Korean farmers in this zone. Hun-Gu Lee, *An Essay of Chosun Agriculture* (Seoul: Hansung Publication Ltd., 1935), p. 267.
- 37 For example, the southern land-ownership threatened the subsistence family-farms in this region. According to a sample survey by the Great Han Empire, a tenant's annual balance in the late *Chosun* dynasty (around the year of 1906) shows a large deficit in regions where landlordism was developed, while tenants in North *Chosun* such as Pyôngan and Hamgyông Provinces did not run at a loss. *A Survey of Tenants*, p.4-2, recited from Yong Ha Shin, "Landlordism and Tenants in the late *Chosun* dynasty," in *A Study of Mdoern Korean Social History*, 1987 p. 180.
- 38 In other words, the peasant movements before the 1920s which aimed at defending peasants' everyday interests such as tenancy right or farm rent against the appropriation of the colonial power, proceeded to revolutionary peasant union movements in the early 1930s which combined economic struggle and political struggle, legal struggle and illegal struggle.
- 39 Ki-Seob Um, *A Study of Labor Disputes from the 1920s to the 1930s* (Seoul: Institute of Koren Economy, 1992), pp. 76-80; Soo Geol Jee, "Present state and problems of agrarian movement study in a colonial period," in See Won Chang, et al., *The Rural Society and Agrarian Movements of Movements of Modern Korea* (Seoul: Yölumsa, 1988), p. 424.
- 40 Jun Sik Lee, "Ideology and Organization in the Peasant Movement under

the Rule of Japanese Imperialist Invaders—The Case of South Hamgyōng Province,” Ph. D. Thesis (Seoul: Yonsei University, 1994), p. 60.

- 41 For example, in the early 1930's more than a half of big Japanese landlords with more than 30 *chōngbo* was concentrated in Jolla Province and South Kyōngsang Province. (Seoul: *Chosun-Ilbo*, 1933. 6. 24) Also, according to a study of big landlords' distribution in 1930, there existed two different regions: most South provinces with a high weight of big landlords in landownership as well as a high density of big landlord and the representative North provinces with the opposite pictures. See Won Chang, "A Study on the Category of the Korean Large landlord under the Japanese Colonial Rule," *Review of Economic History*, 7 (Seoul: The Korean Economic History, 1984), pp. 181-278.
- 42 Hun-Gu Lee, *op. cit.*, p. 267.
- 43 Irrigation works were undertaken through local irrigation associations to increase Korean rice production and acreage output. But, in the end, due to the immense cost of these irrigation works, the new irrigation facilities that ought to have benefited the farmers in actuality drove large numbers of them into poverty. Gang Soo Jun, "The Impact of the Irrigation Project on the Development of Landownership during the Period of 1920-1934," *Review of Economic History*, 8 (Seoul: The Korean Economic History Society, 1984), pp. 109-93.
- 44 Young-hun Lee, See Won Chang, et al., *A Study of Irrigation Association in Modern Korea* (Seoul: Ilchogak, 1992), pp. 1-66.
- 45 The effects of ecological shocks and land scarcity were not counteracted by the same degree of commercialization and familization that lent the peasant farm in the South its added resilience. For example, rented land and tenants increased in North *Chosun* more rapidly than in South *Chosun*: for rented land about 38.6 percent of total cultivated area in 1915 to 48.3 percent in 1942 in North *Chosun*, against about 56.3 to 60.2 percent in South *Chosun* and for tenant about 37.5 percent of total farm households in 1920 to 47.1 percent in 1940 in North *Chosun*, against about 55.9 percent to 60.3 percent in South *Chosun*.
- 46 Statistics for 1931 show a level of unemployment of 15% among Koreans in

the sample investigated, a figure more than double the 6.7% rate in Japan in the same year. Ki-baik Lee(1984: 359)

- 47 Soo Yeol Heo, "Estimation of the Real Wage and its Change under Japanese Colonial Rule," *Review of Economic History*, 5 (Seoul: The Korean Economic History Society, 1981), pp. 213-46.
- 48 Japanese Government-General, *Report of National Power of Chosun in 1930; A Summary of Survey of National Power of Chosun in 1940*. Recited from Gazuo Hori, "Reorganization of Social Division of Labor in the 1930s," in Byong Jick Ahn and T. NaKamura, *A Study of Modern Korean Industrialization* (Seoul: Ilchogak, 1993), p. 50.
- 49 C. Goldin and K. Sokoloff, "The Relative Productivity Hypothesis of Industrialization: The American Case, 1820 to 1850," *Quarterly Journal of Economics* (August 1984), pp. 461-87.
- 50 For example, in percentage as of 1945, the productions of steel, hydroelectric power, and coal in North Korea were 95%, 90%, and 80%, respectively. Ki-baik Lee(1984: 376)
- 51 Tae-Hun Kang, "A Study of the differentiation of the Korean peasantry under colonial rule," in See Won Chang, et al., *The Rural Society and Agrarian Movements Movements of Modern Korea* (Seoul: Yolumsa, 1988), pp. 200-202.
- 52 Real Product per Worker in Agriculture and Manufacturing, 1920-40  
(in yen at 1936 prices)

Year	Agriculture(A)	Manufacturing(M)	A / M(%)
1920	137	150	91
1925	134	212	63
1930	148	305	49
1940	170	699	24

Source: Sang-Chul Suh, *Growth and Structural Changes in the Korean Economy, 1910-1940*, (Harvard University Press, 1978), p.146, Table75.

- 53 There was a tendency of real wages for Korean agricultural laborers to decline during the colonial period. M. Kimura, "Standards of Living in Colonial Korea: Did the Masses Become Worse Off or Better Off Under Japanese Rule," *Journal of Economic History*, 53:3 (1993), p. 637. In addition, the daily wage rates for non-agricultural laborer were higher than for

- agricultural labourers. (Soo Yeol Heo, 1981: 245)
- 54 Young-Gu Park, "A Study on the Policy of Rice during the 1930's," *Review of Economic History*, 14, (Seoul: The Korean Economic History Society, 1990), p.58.
- 55 Jun Sik Lee(1994: 58-59). Many studies point to the important contribution of an abundant and relatively highly trained stock of human resources to Korea's economic development. In fact, Korea's educational effort, a long-standing tradition, was so intensive that of countries with per capita GNPs tree times the Korean level. D.C. Cole and P.N. Lyman, *Korean Development* (Harvard Univarsity Press, 1971), p. 138.
- 56 Tae-Hun Kang(1988: 200-202)