

# Development of Teaching and Research in Economics and Commerce since Korean Liberation

Prof. Ho-Chin Choi

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## **1. In Lieu of Preface — Trends of Economic Thought in Korea soon after the Liberation**

As we are well aware, the groundwork for the study of economics in Korea had been prepared by some enthusiastic Korean economists under the Japanese domination prior to the Korean Liberation. However the end of the Japanese rule in 1945 stimulated and gave encouragement to research in the Korean economic history, which had been ruthlessly suppressed during the Japanese occupation. As Korean economic history took place as the major object of research, several institutes such as "the Korean Economic Research Institute", "the Korean Academy" "the National Culture Institute," etc. were organized by the leading economists, and economic students repatriated from Japan, Manchuria and other areas and also by those formerly employed by the Japanese economic research organizations. These institutes were, however, soon brought to a virtual cessation of activities, due to the inadequacy of funds and to the political confusion around them. And yet the "Treatise on Social sciences" was published by "the Korean Social Science Research Association" and the journal "Academy" by "the Korean Academy" in commemoration of the first Anniversary of Korean liberation in 1946. They were the first academic publications on Social science after the liberation. However the dominant economic thought in these publications showed strong inclinations toward socialism.

## **2. Education in Economics and Commerce**

The supreme pedagogic organization in Korea had been the Keijo (Seoul) Imperial University under the Japanese domination. The Korean students enrolled in this university were far outnumbered by the Japanese and unfortunately it was refused by the Japanese authorities to establish the department of political economy. In other words, the College of Law and Literature, which usually included political economy, consisted of only two faculties, Jurispru-

dence and Literature. This situation functioned to keep the students ignorant of political economy which was regarded as a dangerous form of enlightenment for colonial students. Under such circumstances, Korean students who were anxious to learn political economy and commerce were obliged to go outside of Korea. Economics was a minor option of the Imperial University. There were, however, two private collegiate organizations which established the faculty of commerce. One was Posung College (present Korea University) managed by a Korean foundation and the other was Chosun Christian College (present Chosun Christian University) managed by an American missionary foundation. The education in economics and commerce was given to the Korean students in these schools under the various visible and invisible restrictions maintained by the Japanese colonial policy. Besides these, the Keijo (Seoul) College of Commerce as a state college also gave lectures on commerce, allowing entrance to a smaller number of Korean students as compared with the Japanese enrollment.

The above mentioned university and three independent colleges, however, after the liberation, opened their closed doors wide to the enthusiastic Korean students, newly establishing the faculties of political economy and commerce. The United States Military Government transformed the Keijo Imperial University into Seoul University, establishing the faculty of political economy in the Department of Law and Literature. This enabled Korean scholars to give economics lectures in Korea. The leading members of the faculty of political economy were six scholars who were well known to Korean intellectuals, Prof. Nam-Wun Paik, Keuk-Chai Pakk, Haing-Jung Yun, Jong-Taik Kang, Do-Yun Hwang and Ho-Chin Choi. Soon, the U.S. Military Government incorporated the former Japanese governmental and private colleges into Seoul University and named it Seoul National University; and the Seoul College of Commerce together with the Department of Economics of Seoul University was named the Commercial College of Seoul National University. On the other hand, the Faculty of Commerce of Posung College was enlarged to the status of the College of Economics and Commerce, while the Faculty of Commerce of the Chosun Christian

College, becoming, in the same way, the College Commerce and Economics of Chosun Christian University.

Besides these, there were many other developments in the educational field. The educational opportunities for women were also greatly improved. For instance, Chungang Women's Normal School under the Japanese regime was transformed into Chungang Women's College (present Chungang University) opening the faculty of Commerce (present College of Economics and Commerce of the University). Chungang Women's College was the first educational organization which opened the door to women in the education of Commerce.

Thus, economics and commerce were taught at every university or college which was either newly established or reorganized. And what was remarkable, the applicants to enter the economic and commercial schools suddenly and thereafter continually far outnumbered those who entered other fields. Since the liberation the level of competition in the entrance examination to college or university has been extremely high in this field, as a fact which has arrested the attention of the Korean people. Because of the number of the students majoring in the courses of economics who lacked in the necessary research and educational experiences, thorough education was much hampered. Moreover, this situation was worsened by the lack of available libraries and equipment. These are the phenomena Korea has experienced for the past ten years, although many remarkable improvements are being accomplished today which should be regarded as a hopeful sign of the further development in this field. It owes the direct and indirect contacts with the western countries especially with America that have gradually modernized our teaching methods.

It seems that the curriculum, which was not so much modernized prior to 1950, was drastically revised, since that year following the pattern of the advanced countries. Today, Modern Economics—Keynesian and other—National Income Theory, American Economic History. Economic Mathematics and Calculus and Economic Theories and Policies for under-developed areas are the most popular requisites or options.

### 3. Research in Korean Economic History

The influx of western civilization was almost simultaneous with the invasion of the Japanese imperialism. The economic liberalism founded by Adam Smith in the 18th century and the economic socialism of Karl Marx in the 19th century were introduced to the Korean people since the early beginning of the 20th century by those who had studied abroad mainly in Japan. Therefore, the history of our economic research is very short. Socialism was the most attractive theory for the Korean students under the Japanese regime, since nationalism and socialism were viewed as having a common target, resistance to the Japanese imperialism. The resistance leaders were largely interested in economic problems, and many patriotic students were zealously interested in the scientific analysis and the research in Korean economic history, comparatively applying to it what they learnt of western political economy. Thus, the research in economic history had a far reaching importance in the study of the social sciences. Many valuable works in this field endorse this fact.

The prime works of the Korean economic history are as follows.

Title	Author or Co-Editor	Year
Economic	Suk-Dam Chon	
Social History	Keuk-Chai Park	
of Lee-Dynasty	Shi-Hyung Park	1946
	Han-Chu Kim	
Korean Social	Sok-Dam Chon	
Economic History	Ki-Su Iee	1947
under Japanese	Han-Chu Kim	
Imperialism		
Research on Recent	Ho-Chin Choi	1947
Korean Economic		
History Vol. I		
Text on Korean History	Suk-Dam Chon	1948
Social Economic		

History Under Lee-Dynasty	Puk-Man Lee	1948
Korean Economic History (Economic Series Vol. II)	Suk-Dam Chon	1949

Thus, the field of Korean economic history was the one in which research activities were the most vigorous throughout the entire period since the Korean liberation up to the outbreak of the Korean War; the lecture on the Korean economic history being a requisite item for economic students. The research on Korea was not limited only to the economic field. Today the research on the social and historical problems of Korea attracts the attention of domestic and foreign scholars under the name of "Koreanology".

#### 4. Societies on Economics and Commerce and Economic Research Institutes

I have outlined the educational institutions majoring in the teaching of economics and commerce. Nowadays, every college or department of economics and commerce has, without exception, a research organization launched under the students' initiatives. This is usually called "Economic club" or "Business and Commerce club" or "Economics and Commerce club". This sort of organization publishes the results of research, analysis and translation on economics and commerce annually or semi-annually.

The following are some of periodicals of this kind well-known in Korea.

Publisher	Name of Periodical
College of Commerce, Seoul National University	1. The Economic Review
	2. Economic Research
College of Commerce, Korea University	1. Bulletin of Commerce
	2. Bulletin of Economics
<u>College of Commerce</u> <u>and Economics, Chosun</u> <u>Christian University</u>	1. The Economic Review

College of Economics and Commerce, Chungang University      1. Chungang Economic Review

I have already stated that some of the institutes for research in economics, formed immediately after the liberation, were dissolved due to the unfavourable economic and political environment. There was another diadvantageous condition which gave us almost a mortal shock. It was the Korean War. Due to the war, most of the Seoul students took refuge in Pusan. The students and faculty members continued their studies at Pusan in spite of deprivations and hardships never experienced by their counterparts in other countries. The professors of Korea protected the schools with their utmost efforts. Moreover, during the continuance of hostilities, the economists, numbering fewer than one hundred, established the Korean Economic Association in December 1952 at Pusan under the sponsorship of Prof. Tai-Hwan Shin, Prof. Ho-Chin Choi and Prof. Seung-Chai Ko. They agreed to publish the magazine, "Economics" as a means of making public the research works by the Association members (Professors, lecturers and seniors of the Graduate Course were eligible for membership). The Association issued the first Volume in 1953, the second in 1954 and the third in 1955. Some of these have been, as part of our exchange program, distributed to colleagues in foreign countries including the United States.

The above-mentioned are the publications of pure theoretical and scientific research works. Besides these, there are several other organizations which publish periodicals on current economic trends and problems. The following are the leading ones of this kind:

Publisher	Name of Periodical
Research Department, Bank of Korea	1. Monthly Statistical Review
	2. World Economy (Monthly)
Korean Bankers' Association	Money and Banking (Monthly)

In addition, the Bank of Korea published the Economic Year Book in 1948, 1949 and 1955 and the Industrial Summary in 1955, while the Korean Reconstruction Bank issued the "Korea Economic

Review 1945-1955" in 1955 and the Federation of Financial Associations issued the Korean Agricultural Year Book of 1955 and the Korean Foreign Trade Society has published the Foreign Trade Year Book in series.

Of course, these may be inferior to those of the advanced countries due to the lack of technique, skill and funds for economic research. However I want to stress that the data introduced in these periodicals must be regarded, nevertheless, as very precious and valuable.

## 5. Translation

Before the liberation, there had been almost no translated editions of foreign economic publications. The liberation furthered greatly the efforts of translation. Reflecting the trend of Korea's economic thought immediately after the liberation, the early translations of foreign economic publications were largely of the works of British economists and of socialists works. "Das Kapital" by Karl Marx was translated in series by three economists—Sok-Dam Chon, Yong-Chol Choi and Dong Huh — from 1947 to 1948. In 1948, "The Founders of Political Economy," 1922, by G. Lewinski was translated by Eung-Nok Son. In 1919, "Planning Economy" by B. Ossinsky was translated by Se-Lyun Kim. In the same year, "An Outline of Political Economy", 1929 by L. Lapidus and K. Ostrovitzanow and "Elements of Economics of Industry", 1939, by Alfred Marshall were translated by Eung-Nok Son. From 1948 to 1949, "On the Principles of Political Economy and Taxation" by David Ricardo was translated in two volumes by Se-Lyon Kim and Yong-Bai Lee.

During the Korean War, translation activities were completely discouraged. The revival of the vigour of translation work was coincident with the advent of the armistice talks. The Ministry of Education took the initiative to encourage the translation of valuable western books and other publications, establishing the Committee for translations of foreign books, and in its annual budget, including an allocation for the translation work. The translation of 50 foreign academic books covering liberal arts, social and natural sciences took place under the sponsorship of the committee. In spite of the

efforts made by that Ministry, however, the past achievements have not been satisfactory as far as economic field concerns. The translations of economic books which were proposed and for which funds were actually allocated by the Ministry consisted of only two books in 1952, and so was it in 1953; which were "Income" by A. C. Pigou, "The Social Framework; An Introduction to Economics" by J. R. Hicks; "Capitalism versus Socialism", by A. C. Pigou and "Ten Great Economists" by J. A. Schumpeter. On the other hand, Seoul National University initiated another translation programme which is still under way. Through the programme carried on by this University, merely "Capitalism, Socialism and Democracy" by J.A. Schumpeter was partly translated by Prof. Sang-Ku Lee. Since the Government returned to Seoul, translation in economics was accelerated. The translated works on theoretical economy since then are as follows;

Original Book Name	Author	Translator	Year
The General Theory of Employment, Interest and Money.	J.M. Keynes	Too-Ili Kim	1955
History of Economic Doctrines	E. Heimann	Moon-Hwan Choi Min-Chai Kim	1955
The Social Framework-An Introduction to Economics	J.R. Hicks	Hai-Dong Lee Ki-Joon Lee	1956
Monetary Theory and Fiscal Policy	A.H. Hansen	Sung-Bum Kim	1956

In addition to these, in field of economic history following works were translated.

Original Book Name	Author	Translator	Year
Wirtschaftsgeschichte	Max Weber	Ki-Joon Cho	1953
The Economic Organization of England	Sir William James Ashley	Bok-Suk Bai	1955

Since 1953 translations in the field of modern economics including Keynesian Economics became very frequent.

Original Book Name	Author	Translator	Year
Analysis of National Income	R.V. Clemence	Sung-Chai Ko	1954
A Guide to Keynes	A.H. Hansen	Yong-Kwon Kim Myon Suk Lee	1954
Introduction to Economic Science	G. Soule	Sung-Chai Ko	1955
Introduction to the Theory of Employment	Joan Robinson	Chong-Won Kim	1955
Business Cycle and National Income	A.H. Hansen	Myon-Suk Lee	1955

These translations greatly contributed as a guide to the study of Keynesian economic theories for Korean readers.

Along with Keynesian Economics, the problems of the under developed countries attracted the attention of economic students and intellectuals. Ragner Nurkse's "The Problems of Capital Formation in Underdeveloped Countries" was translated by Mr. Tong-Sup Pahk, and the Research Department of the Bank of Korea translated "Problems and techniques of economic development—Planning and Programming with Special Reference to ECAFE Countries". In addition, many treatises and articles by ECAFE and UNESCO have been translated for Korean readers interested in the economic development of the under-developed areas.

## 6. Dictionaries, Series, Articles and other Publications

The dictionaries on political economy which appeared for the first time in Korea were "the Dictionary of Social Sciences" and "the Dictionary of Korean Agrarian Problems" published both in 1948. These two dictionaries were, however, concerned with specific fields of economy. Modest as it may be, "the Dictionary of Economics" supervised by Prof. Ho-Chin Choi, Tai-Hwan Shin and Dong-Pil Cho was the first dictionary handling general economic terms. This was published by the Economic Press Co. Ltd, in 1953. In 1954, another one, "the Dictionary of Social Sciences" was published by the Sum-

munsa Publishing Co, Ltd.

Now let us refer to the economic series. The Pakmun Publishing Co. Ltd. had published "Economic History" "Cooperative Movement" "Korean Agriculture" "Korean Economic History" "Economic Policy" and "Inflation" in series from 1948 to the outbreak of hostilities in 1950. These series were written by the faculty members under the editorship of Prof. Ho-Chin Choi and Suk-Dam Chon. This series played an important part in providing students with an understanding and preliminary knowledge of economics. However, it must be regretted that the further publication of the remaining volumes of the series was discontinued due to the Korean War. Since the Korean armistice, the Changwangsa Publishing Co., Ltd. has published to date the "Economic Works" in series, which are available to economic students as test-books. These contain more than ten books on economy. In addition, the publication of "the Political Economy Series" was undertaken by the Yangmunsa Publishing Co., Ltd. Besides these, "Economic Policy" "History of Economic Doctrines" and "Public Finance" have been published by university professors.

As some degree of stability was recovered after the government's return to Seoul, some universities began to publish collective works since 1954. These gave encouragement to economic research activities. Two volumes of "Universitas Seoullensis Collectio Theseon-Humanitas Scientia Socialis" were published in 1954 and 1955. In 1955 Korea University issued "Commemoration Theses for 50th Anniversary" and the Chosun Christian University published "Theses on Koreanology" for the Commemoration of the 61st birthday of Dr. George Paik, President of the University. These publications contained valuable research on economy. Chungang University also published "the Commemoration Theses for 30th Anniversary" in the same year, which contained research on Korean economic history. Therefore the year of 1955 must be regarded as an important landmark of academic research in Korea.

Many individual books on economics have been published since the liberation, which are being generally adopted as text-books for students.

Today, a number of economic text-books are being continuously published. The first economic text-book for the college students was "the General Economic History" by Prof. Ho-Chin Choi in 1946. In 1947, he published "the Outline of Economic History" and "Treatise on Money". Prof. Hlaing-Jung Yun published "Principles of Economics". In 1948, Prof. Ho-Chin Choi published "the Outline of Economics" "the Theory of Political Economy", and Prof. Seung-Chai Ko made public "the Introduction to Economics" Prof. Ho-Chin Choi further published "Public Finance" in 1949 and "Theory of Money and Banking" in 1950. In the same year, Prof. Chun-Bo Kim issued "Modern Statistics". Prof. Wu-Hong published "Monetary Theory" in 1952, "Introduction to Political Economy" in 1953, "The Theory of Economic Policy" in 1954 and "Money and Banking" in 1944. Besides these, there are other economic text-books published in 1955 such as;

Author	Title
Song-Yu Hong	Economic Policy
Hai-Dong Lee	The Theory of Statistics
Byong-Jun Hwang	The Economy on Industry
Chang-Hwan Song	Principles of Economics

In the field of Commerce, the following are the important publications;

Author	Title
Hyo-Lok Kim	Introduction to Commerce
Sun-Shik Kim	Bank Book-Keeping and Accounting
Chong-Mun Park	Theory of Book-Keeping
Tong-Myo Park	Economic Geographyp
Mun-Wha Pyo	Geographic Economics

## 7. In Lieu of Epilogue — Prospect of Economic Thought

What is the main trend of Economic Thought in Korea? Even though ten years since the liberation is a short period, Korea experienced the impact of all the different economic schools in this very short period. Immediately after the Japanese defeat, the socialistic ideology dominated the thoughts and thinkings of the intellec-

tual class. Under these circumstances, it seemed that socialist economic theory was to be the dominant trend of the Korean economic study, to the extent that the even lectures on Adam Smith Classical school were ignored at some colleges. However, along with the recovery of political stabilization since the establishment of the Republic of Korea, the intense partisans in the field of economic study have gradually subsides. The outbreak of the Korean War was a turning point that brought about among the students a cool reappraisal of the economic ideologies dominant before the war.

It is doubtful that the economic theories and policies of the economically advanced nations are applicable to under-developed Korea. Therefore, the theories of the classical school and orthodox school must be rightly digested before a new economic theory like the Keynesian is unconditionally adopted in Korea. Present-day Korean economists are agreed on the necessity of giving emphasis in the study of both new and classical theories. In other words, they understand that the new and classical theories are in a relation of mutual-sufficiency in the study of economics and in the application of economic theory to the operation of our economy.

Finally, I would like to stress the fact that the theories, policies and problems of the under-developed economies are the center of intellectual interest of many a Korean economist and that these problems are now seriously and intensely dealt with in academic lectures and discussions in Korea, probably more zealously than in the socialist or in the advanced countries.