The Social Relation Capital of Busan and Gimhae, Korea

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1 . Introduction

This research project is a part of a grand research plan of Senshu University, which aims to study social capital of several cities of Asian countries.

In order to understand this presentation more easily, I would like to give you the brief concepts of social capital, its importance and the Korean situation.

Putnam, who is one of the first famous researcher in social capital study, defined social capital as connections among individuals – social networks and the norms of reciprocity and trust-worthiness that arise from them.

SERI (Samsung Economic Research Institute) which has done a recent research about social capital in Korea defined social capital. They defined social capital as intangible assets which can be developed in social contexts such as trust, norm, network that facilitates cooperation between individuals.

In this research showed that Korean Social Capital index ranked 22 in the 29 country of OECD, Level of trust, social norm and social structure under the OECD average and Network is similar to OECD average, but huge different compare to first ranked country (Netherland).

Sector	Trust	Social Norm	Network	Social Structure
Netherland	7.6(2)	7.33(9)	9.65(1)	7.10(8)
Korea	5.21(24)	5.19(22)	6.00(13)	5.77(22)
Average OECD	6.18	6.32	5.99	6.31

<table 1> Social Capital index (Korean and OECD, SERI, 2009)

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In relation to its importance, World Bank recognized that intangible assets, such as trusts and norms, are more important than natural resources for the economic development.

And Nahapiet said that the trust and network between economic subjects could be useful to product innovation and knowledge creation in accordance with the resource and knowledge collaboration and exchange.

2 . The Social Relation Capital of Busan

This research was done in 2011 including 16 districts in Busan Metropolitan City (BMC), with a total sample of 247 and also in 2012, Gimhae city, with the total sample of 200.

The questionnaires were composed of 5 categories namely characteristics of respondents, social confidence, maintenance of life style, social security and social etiquette which was requested by Senshu University.

Contents	Number of Question	Remarks
Ⅰ. Characteristics of respondents	14	gender, age, etc.
Ⅱ. Social confidence	13	reliability, frequency of the meet the relatives
Ⅲ. Maintenance of life style	11	meaning of improved life
Ⅳ. Social Security	9	dependence organizations, on daily life
Ⅴ. Social Etiquette	5	participation rate of weddings, funerals, etc.

<table 2> Questionnaires of Busan Servey

Prior to the presentation of the survey, I would like to give you a brief information about Busan. BMC is located in the southeastern part of South Korea.

And Busan has some prestigious international events, such as Asian Games in 2002, FIFA World-Cup, APEC Summit and other festivals including Busan International Film Festival and Busan fireworks festival.

<figure 1> Location of Busan Metropolitan City in Korea

As you can see, this shows the four key economic indicators of BMC. The population of Busan is 3.5 millions, 7% of total population of Korea. And the land size is about 1% of Korea.

Population	3,574,000(6.9% of Korea)
Size	769.69㎢ (0.76% of Korea)
GRDP	KRW 6,291,500,000,000(5% of Korea)
Port Facilities	41 container wharf(75% of Korea)

<table 3> Economic Index of Busan

Now let me show you the summary of respondents characteristics, in terms of gender 55% was male, in terms of age 50% came from age group of 20 to 29 years old. In terms of length of residency, 23% of respondents lived from 10 to 19 years. In terms of education 37% graduated from university.

Gender	male 55% (136 people), female 45% (112 people)
Age	20 to 29 year-old age group (50%)
Length of Residency	10 to 19 year-old age group (23%)
Education	Graduated from the University or college (37%)

<table 4> Summary of respondents characteristics

Next shows the summary of social confidence. More than 53% of respondents answered that they trust others, and 51% meet their relatives at least once a month, 57% of respondents do not have deep relationship with their neighbors, 60% of respondents have participated in volunteer work, and 66% of respondents are interested in politics.

Trust to others	53%
Frequency of meeting relatives	at least once a month (51%)
Degree of relationship (with neighbors)	do not have deep relationship with their neighbors (57%)
Participation in volunteer work	60%
Interests in politics	66%

<table 5> Summary of social confidence

Now I will show you the survey result on maintenance of life style. Respondents believe that the maintenance of life style is closely related to wealth or source of income. The biggest challenge in maintaining a good quality of life is financial difficulties (53.9%). Over 65% of respondents claimed that their parents assist them in times of need. 78% of respondents wish to improve their income. 75% of respondents have never used secondary monetary system.

Factor for improving life	improving income(70%)
The biggest challenge for life	financial difficulty(54%)
Sheet anchor	parents(65%)
Factor for improving life	better income(78%)
experience using nonmonetary institutions	no(75%)

<table 6> Summary of maintenance of life style

This one shows the result of social security. Major threat on respondents in relation to financial difficulties is unemployment (87.3%), the next is illness (69.4%). Respondents believe that they can depend on, first, their Families (60.5%), second, their relatives (22.6%), followed by friends and colleagues. Busan citizens rarely trust the politicians (89.1%). Most of respondents have not experienced large-scale disasters and think that the local and central government must be blamed about disasters.

Major threat	financial difficulty by unemployment (87%), Illness (69%)
Sheet anchor	their family (60%), relatives (23%)
Degree of trust to politician	no (89%)
Disasters experience	most of respondents do not experience large-scale disasters (over 80%)
Blamed about disasters	local and central government (72%)

\<table 7\> Summary of social security

And finally, you can see the findings of social etiquette. Findings are as follows: Respondents said that jobs for women only are nurse, cashier, babysitter, housekeeper, hostess, kindergarten teacher, makeup artist, designer etc. Respondents attend wedding and funeral of family, relatives, colleagues and friends (over 50%). 11% of respondents participate in local event positively. 78% of respondents do not believe in fortunetelling.

Jobs for women only	nurse, cashier, babysitter, housekeeper, hostess, kindergarten teacher, makeup artist, designer etc.
Attending wedding and funeral	family, relatives, colleague and friends (over 50%)
Attending local event	11%
Not Believing fortunetelling	78%

\<table 8\> Summary of social etiquette

3 . The Social Relation Capital of Gimhae

Now let's move to the survey result in Gimhae City. The survey result in Gimhae is almost similar to the survey in Busan. However, the questionnaires in Gimhae survey were modified. Some questions were omitted and some new questions were added that compressed the five original categories into four.

The research and analysis of Gimhae had been carried out from September in 2012 to February in 2013. This research is targeted at 4 districts in Gimhae, and based on 200 samples. Questionnaire is composed of 4 items, such as characteristics of respondents, social confidence, maintenance of life style, and social security and social etiquette. The details can be summarized as this table.

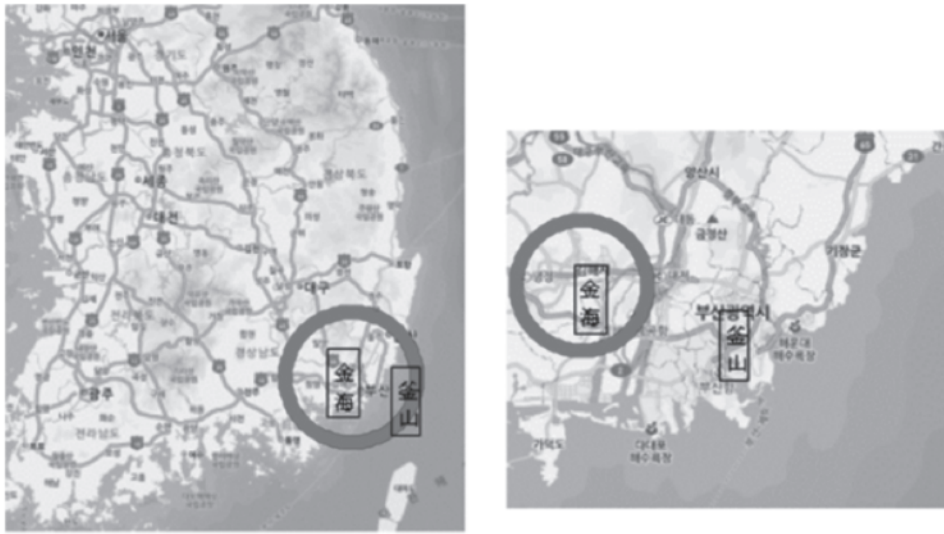| Contents	Numbers of Question	Remarks
Ⅰ. Characteristics of respondents	14	gender, age, etc.
Ⅱ. Social confidence	9	reliability, frequency of the meet the relatives
Ⅲ. Maintenance of life style	12	meaning of improved life
Ⅳ. Social Etiquette	5	participation rate of weddings, funerals, etc.

<table 9> Questionnaires of Gimhae Servey

Prior to the presentation of the survey, I would like to give you a brief information about Gimhae. Gimhae belongs to Gyeongsangnam-do, which is bordered by Busan in the west. 'Gimhae International Airport' is close to Gimhae, and Nam-hae highway and several branch lines through Gimhae area from east to west. Gimhae is playing an important role as a hub of traffic and logistics, because Gimhae is directly connected to Busan via the railways to 'New Port', and runs the light-rail between Busan and Gimhae.

4 million tons of clean polished rice is produced every year in Gimhae Plain, and the greenhouse horticultural industry has been developed in Gimhae from early.

For this research, Gimhae was divided into 4 districts, depending on their location and history; 'downtown or suburb', and 'old or new'. As you can see on this table, the 4 districts are, Jin-Young, Jang yoo, Nae-We Samgye, and Central Gimhae.

First, Jin young is a traditional agricultural region old as time. The second is Jang yoo, which is a newly established town in the suburb of Gimhae. So, Jang yoo has mixed character of city and suburb. The third district is Nae-We, Samgye. It has been newly developed as a residential district and has the largest population among the regions in Gimhae. The last one is Central Gimhae. It is the old section, which was the center of ancient country 'Gaya', and where the tomb of 'King Kimsuro' in Gaya Dynasty is located. In this way, Gimhae was divided into 4 districts, and each one was studied based on 50 samples.

<figure 2> Location of Gimhae

Regarding the size and the number of families, or the population, refer to this table.

Area	Size(㎢)	Number of households	Population
Jin-Young	39.9㎢	13,441	36,578
Jang yoo	54.61㎢	38,218	117,673
NaeWe,	5.34㎢(Nae)	29,361	87,247
SamGye	13.93㎢(Sam)	24,574	76,232
Central Gimhae	3.19㎢	7,132	16,954

<table 10> Characteristics of Gimahe's 4 districts

Now, let me show you the summary of respondents' characteristic. In terms of gender, 165 people were male and the rest 135 people were female. It means that 35% of respondents are male and 65% is female. One of the reason why the percentage of female is higher than male is, the research object was divided into 4 districts, and the research was carried out when the most males were not present in this area due to their work.

In terms of age, 27% of respondents including 53 people between 40-49 year old, complied with the research the most. Also, the most respondents are the residents who live in this area for from 11 years to 20 years, it is 35 % of the respondents.

The half of respondents are college graduated, and the next most respondents have high-school diploma. So it could be found that the education level of respondents is likely to be high.

Young-Nam area including Busan, Ulsan Kyung-Nam, Kyung-Buk, has the most Buddhist, and there are many Korean representative temples such as Tongdo-sa, Hein-sa, Bumu-sa in Young-Nam. In this research, 40% the respondents in Gimhae area belong to Buddhist, and other 22% were Christian.

Gender	male 33% (65people), female 67% (135 people)
Age	40 to the 49year-old age group (27%)
Length of Residency	11 to 20 year-old age group (35%)
Education	graduated from the University or college (43%)
Religion	buddhism 40%, protestant 22%

<table 11> Summary of respondents characteristics

The next shows the analysis of social confidence.

35% of Gimhae citizens said they could trust the others, and this figure is almost the same as 34.5% of the average of OECD.

35% of respondents meet their relatives at least once a month, or several times a year. Also the respondents who meet their relatives routinely or very often, are 39.5%. This figure is very higher than 23.1%, which is the result on the same research subjected to Busan Area in 2011.

More than the half of citizen do not interact with their neighbors, never even greet, and the level of local community activities is very low.

In addition, only 34% of citizen responded that they were interested in Politics, which shows that the concern degree is lower than the average.

Trust to others	35%
Frequency of meeting relatives	once a month ~ several times in a year (35%)
Degree of relationship (with neighbors)	do not dealing with the neighbors or just greeting each other (64%)
Degree of community activity	very active (9%)
Interests in politics	34%

<table 12> Summary of social confidence

Now, I will show you the survey result on maintenance of life style. Most respondents said they did not have difficulties in earning a living. Regarding lack of crop harvest, 95% respondents do not have difficulties. Also, regarding lack of money- 66.5% of respondents, regarding unemployment- 92% of respondents, regarding the death of the main income

earner- 93% of respondents, and regarding disease in themselves or their family- 91% respondents said that they did not have difficulties.

According to the period when the respondents faced with difficult, in 1980s, the lack of crop harvest is the most difficult, and in 2000s the lack of money, unemployment, and disease in themselves or their family are the most difficult.

Most respondents said that the first supporter is a father when facing with any kinds of difficulty.

The item that Gimhae citizen most want to improve, is their income, which includes 75% of respondents.

90% of respondents do not have any local community activity for improving their lives.

89% of respondents have never used nonmonetary (second) institutions. One of the reason is, they distrust these institutions through some experiences as like 'shut down the operation of some savings banks in Busan area'.

The 5 support organizations for living were remarked on the screen.

Most of respondents have not experienced any major disaster. The figure of this item was similar with traffic accident, and typhoon. Also, 61% of respondents said that the local government is responsible for this disaster.

Difficulty about life	lack of crop harvest (5%), lack of money (33%), unemployment (8%), the death of the main income earner (7%), disease in themselves or their family (9%)
Period that faced with difficult	1980s: lack of crop harvest 2000s: lack of money, unemployment, disease in themselves or their family
Solution of difficult	help from father
Factor for improving life	improving income (75%)
Existence local community for life	no (90%)
Experience using nonmonetary institutions	no (89%)
Sheet anchor	① economic difficult – family ② various problem of life – family ③ social risk – police ④ treating of life – family ⑤ disease and hurt – public agency
Experience Large-scale disasters	traffic accident (38%), typhoon (36%)
Blamed about disasters	local and government (61%)

\<table 13\> Summary of maintenance of life style

Now, you can see the finding of social etiquette. 19% of respondents thought that there are the job only for men or women. The guard or construction work belongs to the men's work, and housekeeper and receptionist belong to the women's work.

More than 50% of respondents said that they attended the wedding or funeral of their family, relatives, colleagues, or friends, and 43.5% of respondents participated in local event positively. 70% of respondents do not believe in fortunetelling.

Jobs for men only	security, architect, physical labor
Jobs for women only	housekeeper, hostess, teacher of kindergarten
Attending wedding and funeral	family, relatives, and friends (over 50%)
Attending local event	44%
Not Believing fortunetelling	70%

<table 14> Summary of social etiquette

4 . Comparing to the Social Relation Capital of Busan and Gimhae

Finally, I will compare social relation capital between Busan and Gimhae.

The confidence in others is 53% in Busan, and 35% in Gimhae. In case of Busan, 51% of respondents said that they meet their relatives and in case of Gimhae, 35% of respondents said they meet their relatives once a month or several times per year. The interests in politics was represented as 66% in Busan and 34% in Gimhae, so it means that Busan citizen has more interested in Politics.

Regarding the meaning of improving life, improving income is ranked on the top as 70% and 75% in Busan and Gimhae. The experiences in using nonmonetary (second) institutions was shown as 75% in Busan, and 89% in Gimhae.

In terms of defense, 60% of respondents in Busan pointed out their family and 23% pointed out their relatives. The respondents in Gimhae pointed out family in economic difficult, various problem of life, and treating of life. Also, in case of Gimhae, police was pointed out in social risk, and public agency was pointed out in disease and hurt.

Regarding attending local event, 11% of respondents in Busan and 43.5% of respondents in Gimhae take part in local event. 78% of Busan repondents and 70% of Gimhae respondents said they do not trust the fortune telling.

That is the end of our presentation for social relation capital of Busan and Gimhae. Thank you for your listening.

	Busan	Gimhae
Trust to others	53%	35%
Frequency of meeting relatives	at least once a month (51%)	once a month ~ several times in a year (35%)
Degree of relationship (with neighbors)	do not have deep relationship with their neighbors (57%)	do not have deep relationship with their neighbors (64%)
Interests in politics	66%	34%
Experience using nonmonetary institutions	no (75%)	no (89%)
Blamed about disasters	government (72%)	government (61%)
Attending wedding and funeral	family, relatives, colleague and friends (over 50%)	same
Attending local event	11%	43.5%
Not Believing fortunetelling	78%	70%

<table 15> Summary of different from Busan and Gimhae

5 . Inspiration
1) relationship between social capital and economic development
It is difficult to make a conclusion about the relationship between sc and ed with this plain survey. It's mainly because the sample of this survey is so small and the research area is limited in two cities only.

In my point of view, the sc is complementary to the economic development. In the past 50 years, Korea experienced very rapid economic development. Industrial capital, such as money and material, did a major role in economic development.

However, the economic status of Korea these days is known to be stagnant. Thus, most Koreans believe that what the country needs to help the economy grow is a new capital. For the future development, this capital should be social capital according to a well-known economic research institute.

SERI published a research about social capital in Korea very recently. In their study, they concluded that the enhancement of social capital is essential to economic development.

2) difference between urban and rural area

In this research, we learned that there is no big difference between urban and rural area in relation to social capital formation. This was supported by two reasons. First, it is because the two cities are geographically too close with each other. Second, it is because there is no difference in cultural environment between the two since both places have already gone through development.

If this research was implemented in the past, about 20-30 years ago, the findings would be quite different. It is mainly because at that time, urban areas in Korea were much more developed compared to the rural areas.

3) the value of social capital

We understand that social capital is very useful to prevent risks or disaster. However, the natural condition of Korea and Japan such as geographical location is quite different. The geographical location of Korea is one of the factors why it has not experienced much natural disaster compared to Japan. This is one of the reasons why Korea does not have enough social capital. Nevertheless, there is no one exempted from any catastrophe. Therefore, Koreans now believe that development of social capital must be enhanced.