

Why Holistic Human Development is Crucial for Transformative Development of Nations: Insights from Korea

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Abstract

The international development community has evolved and increasingly become sophisticated in its methodology and agendas. However, frequent changes in the international development approach reflect more of failures than successes of its endeavours. The vast majority of developing countries still have not achieved the kind of transformative development that they aspired to at the time of their independence. For instance, the income gap between Africa and the rest of the world is projected to widen even further into the future. The economic challenges facing the developing world is largely due to the issue of management and implementation of everyday tasks rather than the lack of resources or policies. The mainstream international community has placed heavy emphasis on institutions and policies as if these are the panacea for development but they need to be worked on by humans to function properly. Something critical seems to have been missing in the development endeavour and this calls for sobering reflection. The most important *missing puzzle* is deemed to be the *holistic human development* comprising the four key areas: (i) formal and specialized education, science and technology training; (ii) work ethics and mindset-change education; (iii) management and leadership training; (iv) community and civic-mindedness education. The Korean development model embodies the fundamental principles of development, and the 'holistic human development' was a crucial factor behind Korea's success in achieving compressed economic and social development. Based on such experience and know-how, Korea should actively engage in partnerships with developing countries to support their efforts for holistic human development.

Key words: Holistic human development, Human capital, Social capital, Participatory development, Economic discrimination, Development mindedness, Empowerment of people, Having culture and doing culture.

I. Introduction

The objective of this paper is to shed light on what is deemed to be a *critical* element or condition for developing countries to achieve real and *far reaching transformative development* that seems to have been neglected. International development community and developing countries have been preoccupied with the issues of resources and policies as if these are the ultimate answers to development. However, this study argues that even with resources and good policies, successful development of nations cannot be assured without the enhancement of various aspects of human capital, namely, *holistic human development*. This is because, as the Korean case attests, substantive and lasting development of nations requires such difficult tasks like effective nation-building and fundamental changes in the capacity and attitudes of people.

There seems to be a widespread thinking, especially in the developing world, that resources, both natural and financial, are first and foremost for economic development. The mainstream international community of development, on its part, has laid heavy emphasis on institutions, governance, and policies, and regards the challenges developing countries face to be mostly attributable to the weaknesses in these. Resources are no doubt essential but proper institutions, governance, and policies are deemed more important because without them, resources will be misused. However, adopting ‘right’ institutions and policies, while very important, will not suffice as these do not execute by themselves automatically but need human efforts.

The fundamental problem with today’s international development architecture is that the focus is laid on *having* the right things than *doing* the right things; that is, having natural and financial resources, technological know-how or expertise, proper institutions and policies, rather than figuring out how to go about making use of these, and more crucially, taking concrete actions to implement them, to make them actually work.

Since the mid 20th-century after World War II, when most of the developing countries gained independence, international development institutions have come up with various development paradigms reflecting the prevailing development thoughts at the time. Development thinking has significantly broadened since

World War II, to increasingly include social, environment factors of development, according to OECD: (i) industrialization, growth and modernization (1940s~1950s); (ii) structural transformation (1960s); (iii) more independence in developing economies (1970s); (iv) macroeconomic stability - the Washington Consensus (1980's~2000s); (v) goal-based development (2000s~present)¹⁾.

However, the role of international community has obvious limits, and the measure of a country's success in achieving its development goals depends entirely on the country in question. Since the mid-20th century, very few developing nations have successfully transitioned themselves to 'highly developed' or advanced economies; many countries that seemed to be on a promising path of economic prosperity have fallen into the middle income trap, while poor countries such as those in Africa and elsewhere still struggle to develop agricultural sector, not to mention the industrial. In the Global South, some countries boast high per capita income owing to their rich natural resources and small population but often, such countries show weaknesses in industrial capability and other indicators of development.

The task of fulfilling national development that is truly *transformative* across all spheres is a complex 'work of art' requiring not only capacities and skills, but also the right attitudes on the part of both the leaders and the large segment of population. It is because development is inherently about the 'process' rather than the 'state.' In this context, *holistic human development* comprising (i) formal and specialized education; (ii) work ethics and mindset-change training; (iii) leadership and management training; (iv) community and civic-mindedness education must be pursued with all seriousness and vigor if the countries want to move up to higher levels of development.

This paper considers the situation of Africa and other developing regions, the Middle East and Latin America, as well as the limitations of international development community, and looks into the case of Korea to explain why holistic human development approach must gain its rightful currency in the business of international development. Korea's experience is highlighted to underscore the imperative of holistic human development for nations that need to enhance

1) OECD, *Perspectives on Global Development 2019: Rethinking Development Strategies*, 2018. p. 138.

their economic, social, and political conditions. In this respect, Korea needs to mainstream *holistic human development approach* in its development cooperation policy.

The main body of this paper begins with Chapter II The Nature of Developmental Challenges Confronting the Developing World Today; it looks at the state of development of Africa, the Middle East, and Latin America, and the nature of their development challenges. Both the commonalities across the regions as well as distinctive characteristics of each region are explained. Chapter III The Imperative of the Holistic Human Development for Transformative Development of Nations in Africa and Beyond: Insights from Korea lays out the characteristics of Korea's development approach and the significance of holistic human development that is considered a hallmark of Korea's success in national development. This is followed by the conclusion. Important takeaways of this study includes policy implications for developing countries and Korea, among others.

II. The Nature of Developmental Challenges Confronting the Developing World Today

1. Overview

There is no formal definition of 'developing countries' and this term has been used widely to describe the countries that have a lower average of standard of living relative to other countries, or those facing economic, social, and political challenges. The word 'third world' which was popularly used during the times of the Cold War, has a similar meaning to 'developing countries.' A typical third world country would have the following features: (i) a high proportion of the labour force engaged in agriculture with low productivity; (ii) a high proportion of domestic expenditure on food and necessities; (iii) an export trade dominated by primary products and an import trade dominated by manufactured goods; (iv) a low level of technology and poor human capital; (v) a high birth rate coupled with a falling death rate; and (vi) savings undertaken by a small percentage of the population²⁾.

2) Thirlwall, A. P. and Penélop Pacheco-López (2017), *Economics of Development*, (10th Ed.), London: Palgrave Macmillan, pp. 38-39.

Compared to some fifty years ago, developing countries today are more heterogeneous as there have been shifts in these countries' sub-category within this group, while certain countries, most notably the East Asian Tigers or newly industrialized countries (NICs), managed to graduate from the status of developing countries. Presently, countries that are not called 'developed countries' belong to one of the following, according to the World Bank's classification: (i) low income countries, lower-middle income countries, and upper-middle income countries; (ii) these three groups are referred to as 'low and middle income countries' (LMICs). Also, the United Nations has used the concept the 'least developed countries' (LDCs) which means countries exhibiting the lowest levels of socioeconomic development. And the term 'emerging markets' refers to the economies that are transitioning towards developed economy like China, India, Brazil and Mexico³).

As such, various classifications exists for developing countries but to properly understand the developmental tasks and challenges of the countries, there needs to be a much broader scrutiny of the conditions of developing nations than simply looking from economic perspective employing economic indicators like per capita GDP. Despite the overall economic improvement for the world, over the last fifty years or so, there are 61 fragile and failed states in the world, as of 2018⁴). Surprisingly, even some G20 countries like Türkiye and Russia are included in the list as fragile states. Despite the fanfare of "the rise of the rest", the state of comprehensive development of nations, in terms of economic prosperity, social cohesion, political stability, and national security, not to mentioned governance, rule of law, and democracy, is far out of reach of the majority of countries in the world today⁵). What is important to note is that the state of development is in flux, and when countries are not careful, they can regress in their economic status, and can become fragile and failed states when their situation seriously deteriorates.

3) Investopedia, "Emerging Market Economy Definition, How it Works, and Examples", May 11, 2022.

4) Fund for Peace, *2018 Fragile State Index*. Fragile states and failed states having the scoring between 100 and 80.

5) Fareed Zakaria (2008) used the term "the rise of the rest" in his book *The Post-American World: And the Rise of the Rest*.

Therefore, if we are to take a hard look at the stark reality of developing world, we need to go well beyond the consideration of income and GDP levels, although these are indispensable indicators. It is not so surprising, and yet interesting, that different regions --- Africa, the Middle East, and Latin America --- exhibit distinct features of challenges together with strengths.

2. The State of Development of Africa, Middle East, and Latin America

In the case of Africa, despite the fact than more than half a century has passed since most of the countries have become independent, the ‘Africa paradox’ persists⁶⁾. It is a story of “what could have been” or “what should have been,” of repeated missed opportunities, time after time. This is due mostly to ‘inaction’ rather than making mistakes or trying hard but not succeeding. It is the problem of deep seated inertia in the midst of plenty. The continent boasts massive untapped arable land, 60% of the world’s (FAO, 2016), not to mention all sorts of natural resources including precious minerals. After a long duration of ‘Afro-pessimism’, ‘Afro-optimism’ finally emerged towards the second decade of the 21st century with a narrative of ‘Africa rising’. But Afro-pessimism and Afro-optimism are neither warranted because the potential and opportunities were always there to begin with. Instead, what is deemed necessary more than ever is the ‘Afro-realism’ geared towards objective assessment of the challenges at hand and most importantly, advocating implementation of everyday tasks with an emphasis on actions. Essentially, the regions’ poverty and other developmental challenges are attributable to management problems rather than the lack of resources or means.

I have argued that the *three key missing links* to Africa development are (i) sense of nation; (ii) development-mindedness; and (iii) strong role of state. The first one is about national identity and the works of nation-building, having a sense of public interest, societal/national common good, and civic values. The second is the mindset that is geared towards development including work

6) Jong-Dae Park (2019), *Re-Inventing Africa’s Development: Linking Africa to the Korean Model of Development*, Cham: Palgrave Macmillan, pp. 25-29.

ethics which is ironically hardly ever mentioned in the mainstream intellectual community or international institutions but which is in fact can make all the difference. The third element is about the state's positive leadership and capability or effectiveness in executing policies and providing public services⁷⁾. The characteristics of these missing links that African countries are in much want of, and need to nurture substantially, are that they are not about material resources or means but rather about human capital and social capital. These three elements are closely interlinked, and the grand theme that encompasses all of them is the 'mindset change.'

The Middle East and North Africa (MENA) is a more diversified region than meets the eye, ranging from oil-rich Gulf states to the countries struggling as fragile states. MENA does not fare poorly in development indicators when compared to other developing regions except East Asia. The characteristics of the MENA vis-a-vis other developing regions are as follows: (i) a more volatile growth (in the last three decades, the countries experienced protracted slowdown, with lower growth rates than East Asia and South Asia, and for some periods, lower and more erratic growth than Latin America and Sub-Saharan Africa); (ii) underdevelopment in industrialization (weakness in manufacturing and industrial capability, with the lowest level of manufacturing exports as a percentage of GDP); (iii) lagging in human development of late (while there are some wealthiest countries, the region consistently lags behind Latin America and, since mid-2000s East Asia in human development); (iv) seemingly intractable challenges to employment generation (the region exhibits higher unemployment rate than any other region especially among educated youth according to ILO's 2010 report⁸⁾).

Similarly to Africa's 'missing links' to development, what can be considered as the 'four fundamental conditions (tasks) for MENA's development are as follows: (i) 'within-state' development; (ii) 'participatory development'; (iii) capability of state; and (iv) religious reform and secularization⁹⁾. First,

7) *Ibid.*, pp. 134-155

8) Melani Cammet (2017), "Development and Underdevelopment in the Middle East and North Africa," *Oxford Handbook of Politics and Development*, Oxford University Press.

9) Jong-Dae Park (2023), "Development Perspectives on the Root Causes of the Middle East's Challenges: The Question of Institutional and Social Adaptability", *Journal of Management Policy and Practice*, North American Business Press, 24(1).

‘within-state’ development means being true or staying within the confines of nation-statehood, disallowing tribalism or transnational ideology or cause to take precedence over the rationale of state (similar to the issue of ‘sense of nation’ for Africa). Philip Carl Salzman argues that the frequent conflicts and divisions, and hence instability in the Middle East have roots in the long enduring system of tribalism innate and based on the rule of decentralized ‘balanced opposition’ in Arab culture¹⁰). While the region flourished with a highly advanced civilization at the time the West was in the dark ages, their history of nation-statehood is short; prior to the 20th century, the societies of the Middle East existed predominantly in the form of tribal communities or societies under empires.

Secondly, the importance of ‘participatory development’ is self-evident when considering the present level of economic and political participation or ‘empowerment’ of the people. Without substantially uplifting the status of general public as ‘producers’ of economic and political values, Middle Eastern countries’ economic and political uncertainty will linger, and their prospect of transforming into advanced nations will remain in doubt.

Thirdly, regarding ‘capability of state’, Arab Spring made it clear that the region’s authoritarian states can no longer remain in their comfort zone but need to beef up their capability to meet the demands of the public and respond to challenges of the times to avoid political crisis. Increased pressures exerted on states are both external and internal, and the credibility of states is on the line. Both the resource-poor republics and oil-rich Gulf states are confronted with such challenge, and the real test of the states’ strength lies in how competitive they can be in industrial diversification and long-term economic planning and management.

Lastly, the issue of ‘religious reform and secularization’ is also deemed highly relevant to the development of the MENA countries. Of course, countries differ in the degree and forms of religiosity or state-religion relationship, and in some countries this matter does not appear to be a major concern in the eyes of outsiders. However, given the distinct characteristics of the region, an objective and comprehensive overview of this issue would be important. Addressing the

10) Philip Carl Salzman (2008), *Culture and Conflict in the Middle East*, New York: Humanity Books.

implications of religion in this regard should not be about passing judgments on religion itself; rather, it should be about the question of harmony between religion and society, respect for human values, and wellbeing and progress of human society. Religious reform took place in the Western church in the 16th century, and Western social scientists were convinced that progress or modernization of society depended upon its secularization¹¹). In contrast, Islam did not undergo such reform process. Regardless of the type of religion, whether it be Christianity, Islam, prominence of fundamentalism and radicalism within the religion is very likely to have only negative consequences on societies.

Latin America which seems to have been faring better than most of other developing regions is also the case of ‘what could have been.’ The fact of the matter is that Latin America, which has a population of about 600 million people, is blessed with fertile land and natural resources, similar to Africa, and yet it remains much poorer than its neighbours to the north. And no country in Latin America is the member of OECD Development Assistance Committee which is the group of most advanced countries enjoying the highest living standards in the world.

According to Armendairiz and Larrain (2017), there have been various theories as to why Latin America has lagged behind other nations, especially its northern neighbours, despite vast natural resources, vibrant cultures, and talented population: (i) geography (70% of land being tropics, exposed to diseases, etc.); (ii) Latin America being exposed to civil law tradition, as opposed to common law (considered more conducive to economic growth); (iii) large-scale agricultural plantations in Latin America (disadvantageous compared to mixed and smaller units of farming for development); (iv) the region’s institutional legacy (weaker institutional arrangements compared to the North); and (v) ethno-linguistic and cultural fragmentation (dating back to the colonial periods)¹²). But failure of prolonged protectionism and import substitution industrialization is an important reason why Latin America significantly lags behind East Asian nations like South Korea, Singapore, and Taiwan; this is

11) Robert Lee and Lihi Ben Shitrit (2020), “Religion, society, and politics in the Middle East, in Ellen Lust ed., *The Middle East* (15th ed.), London: Sage Publications, p. 461. (kindle version)

12) IMF, “Missed Opportunities: The Economic History of Latin America,” *IMF Country Focus*, October 5, 2017.

inspite that Latin America's per capita income was more than double that of East Asia, points out Larrain¹³).

Development thinking that emerged in Latin America in the 1940s and 1950s is the *structuralist thought*, led by such theorists as Raul Prebisch, that influenced much of the development strategies followed in the region¹⁴). They included economic nationalism like import-substitution industrialization (ISI), state-lead development of active state intervention, emphasis on income distribution and social justice; certain elements of structural thoughts were aligned with *Dependency Theory*, which argued that Latin American countries' dependency on more advanced industrialized nations hinder their economic development. Such developmental orientation, coupled with the populist democracy of Latin America, have brought about the economic consequences for the region that we see today.

There has been a pattern of Latin American countries often been plagued by political and macroeconomic instability, and recurrence of financial and debt crisis, rending the thinking that history is repeating itself in the region. Despite more than two centuries of independence, only a handful of countries like Argentina, Chile, and Uruguay have achieved high-income status; by 2000, most of Latin American countries still exported raw materials, with only Mexico and Brazil exporting slightly more manufactured products than raw materials¹⁵). And Argentina, which was one of the wealthiest countries in early 20th century, began declining in the mid-20th century, marked by political instability, economic mismanagement leading to repeated national defaults.

3. *The Nature of Developmental Challenges of Developing World*

As was seen, the developing regions cited here, Africa, the Middle East, and Latin America, are all confronted with numerous common challenges although there are obvious variance and uniqueness by the regions and countries. First of all, historical context or legacies do need to be considered but they should not be exaggerated

13) *Ibid.*

14) Beatriz Armendairiz and Felipe Larrain (2017), *The Economics of Contemporary Latin America*, New York: MIT Press.

15) de Hann, Peter (2020), *Whatever Happened to the Third World? : A History of the Economics of Development*, Hague: Palgrave Macmillan, p. 51.

nor used as a pretext for the underperformance or failures in development. The concept of *universal values* only emerged in the mid 20th century and the history of humanity was always fraught with challenges and adversities posed by the nature and humans themselves, with the latter having becoming more serious of late. In the intellectual circles and developing world, much has been made of the legacy of modern colonialism; yet in our long history, fight over resources, power, and survival, leading to aggressions, exploitations, dominations and destructions, were quite common occurrences. There has been no nation in history not subjected to hardships and tribulations.

Lessons of historical injustices committed in the past, consequences of horrific world wars, and profusion of universal values like democracy may have made the world more temperate, peace-loving, rational and even moral. But we should not have an illusion of what the universal values or international political norms, political ideologies and politics can actually do for development of nations. They are more of aspirations and guideposts, and what gets nations to develop are everyday work of people and the performance of government serving the people. What people seem to have forgotten is that national development, both economic and political, is achieved through the active participation and contribution of the people, and is not bestowed by the benevolence of state or outside forces.

Latin America is a typical region suffering from the middle income trap, with Argentina, Brazil, and Mexico being good examples. The case of Argentina, in particular, shows that even a country with sound initial conditions that has managed to rise to the highest level of economic prosperity at one point can regress significantly in economic capability and status to be trapped in a structural deep fix. In fact, the phenomena of middle income trap is widespread across all regions of the world. And the prime reason is the failure to innovate and make the necessary changes when they are due. In a way, it arises from the lack of sense of competition and nimbleness to move forward.

You can talk your way into politics but you cannot talk your way into economy. Eloquence in expression of ideas and aspirations may win political support but making the economy work is a different matter. Economic performances and status of nations reflect their aggregate scorecard in the numerous and difficult tasks. It would be delusional to think that merely espousing universal values, and seemingly

good institutions and policies will ensure successful and transformative economic development. These are important foundations but everything depends on the implementation, operation, and management of myriad of tasks in both public and private sector.

As mentioned previously, Africa's missing links to development or key elements for successful development are (i) sense of nation; (ii) development-mindedness; and (iii) strong role of state. For the Middle East, 'the four fundamental conditions (tasks) for development' are (i) 'within-state' development; (ii) 'participatory development'; (iii) capability of state; and (iv) religious reform. Sub-Saharan Africa and the MENA countries both face the task of strengthening national identity and nation building, given their short history of nationhood since independence in the 20th century. The challenge for Africa is more about overcoming ethnicism or ethnical divide, whereas for the MENA it is more about addressing religious sectarianism and tribal divisions.

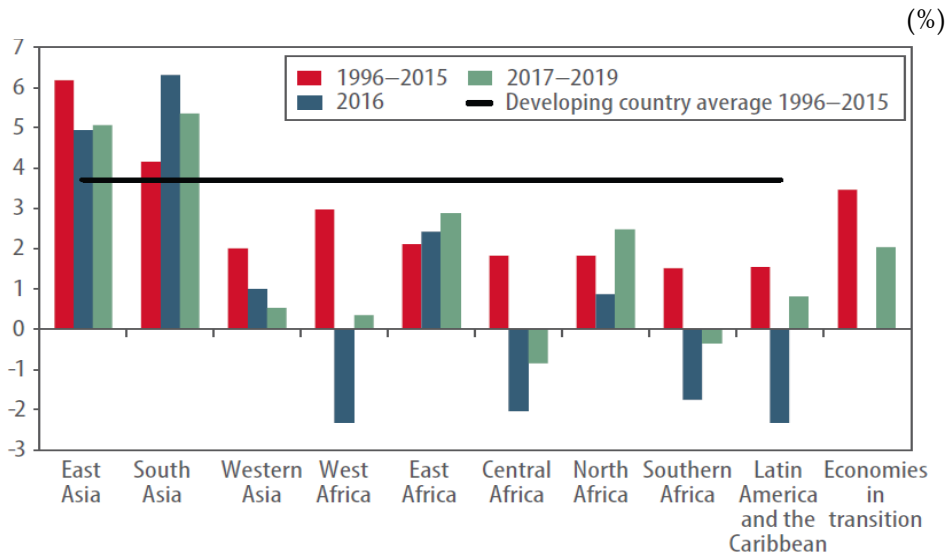
As for Latin American countries, their history of national independence is significantly older than African and the Middle Eastern countries, spanning two hundred years. Hence, they seem to enjoy more stability as nation states but their identity is often complex, with many people identified with multiple racial and ethnic backgrounds. Challenges of racial inequalities and tensions do exist, although cultural syncretism has led to the blending of indigenous, African, and European cultural elements, creating unique expressions of identity, and some forms of affirmative actions exist in some countries.

The need to greatly enhance *development-mindedness* of the population is apparent for Sub-Saharan Africa because it shows the lowest literacy rate and the lowest human development index, as shown by Figure 2 and Figure 5, respectively, in the following pages. Empowerment of people is necessary for all regions: in Sub-Saharan Africa, people need to be more active and independent minded, having more capability as workers and entrepreneurs; in MENA, a key issue is empowering human resources in the private sector, and especially promoting women's status.

In this vein, the need for 'participatory development' where a large segment of population takes part in both economic and political domains, as both suppliers and consumers of economic and political values, needs to be emphasized and fostered in MENA. Latin America scores comparatively well over other developing regions

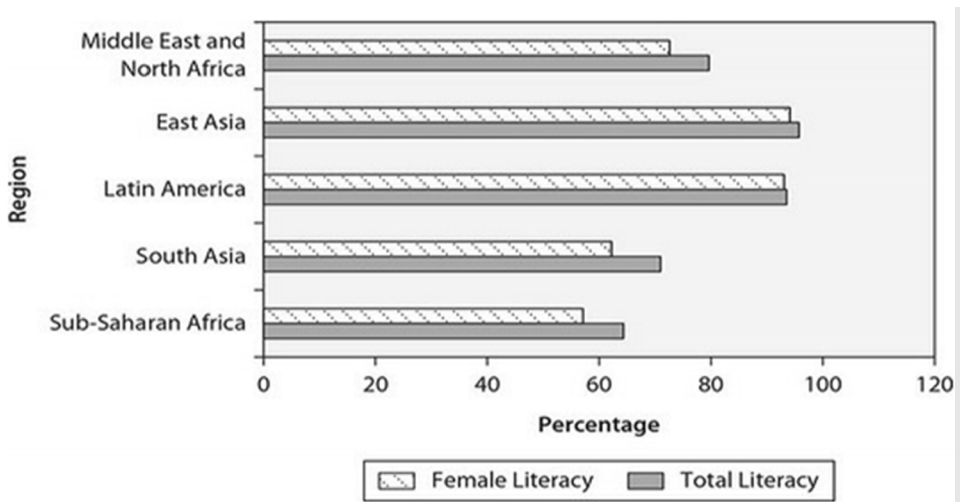
in human development index but there are notable discrepancies among countries, and a large gap exists between different racial groups as well.

[Figure 1] Per Capita GDP Growth by Global Region



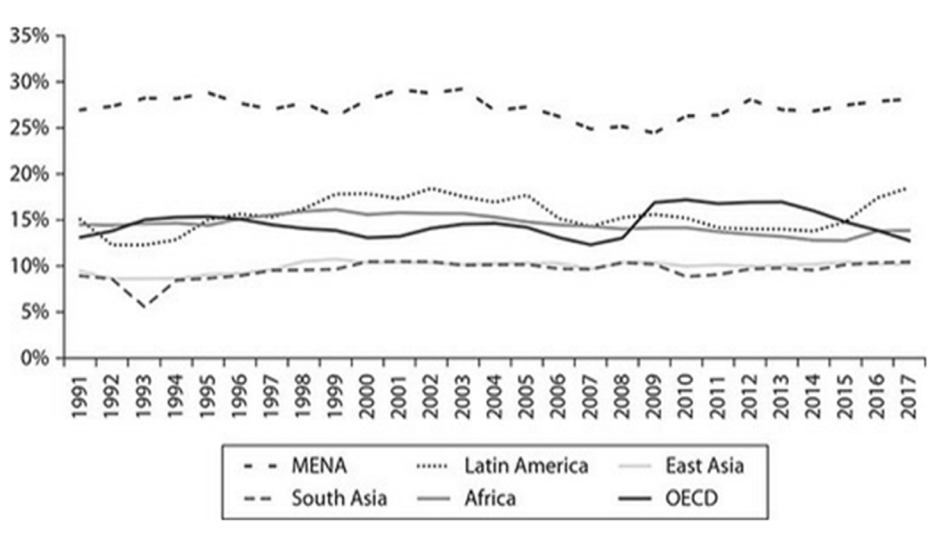
Source: United Nations (2018), *World Economic Situation and Prospects*.

[Figure 2] Overall & Female Literacy Rates by Region (% of Population Age 15+)



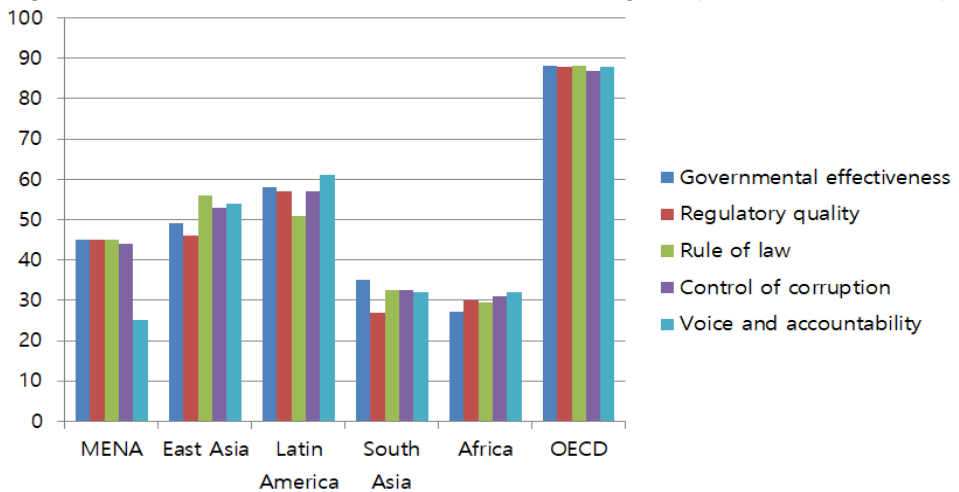
Source: World Bank (2016), *World Development Indicators*.

[Figure 3] Youth Unemployment by Global Region, 1991–2017



Source: World Bank, *World Development Indicators* (various years).

[Figure 4] Governance Indicators in Different Global Regions (Percentile Rank, 2012)



Source: World Bank (2013), “Governance Matters”.

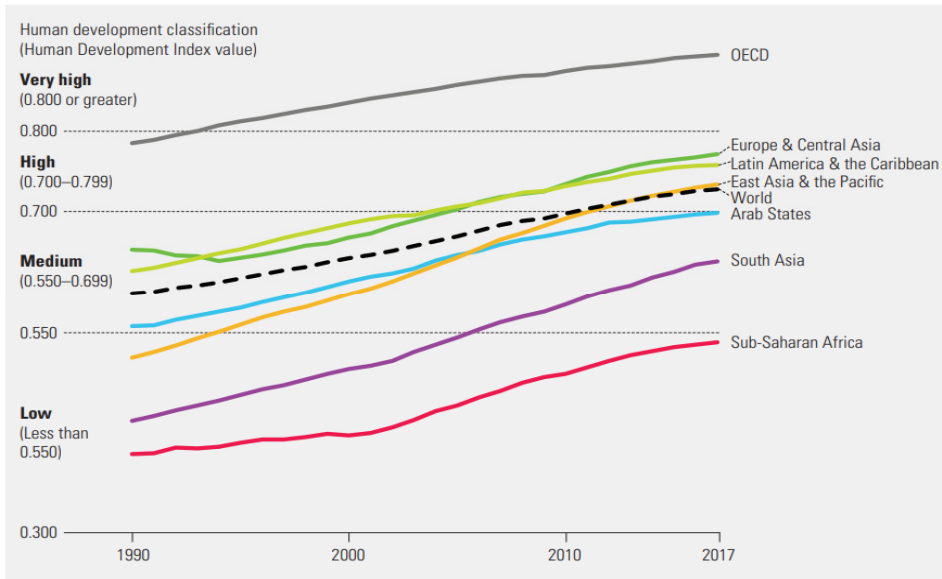
Empowerment of people is necessary for all regions: in Sub-Saharan Africa, people need to be more active and independent minded, having more capability as workers and entrepreneurs; in the Middle East and North Africa, a key issue

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Another key factor is the role of state. The 'strong role of state' is required in the case of Africa because the 'hybrid' type of political regime typical of the region, and which has both authoritarian and democratic elements, has proven to be ineffective mode of governance, especially when neopatrimonialistic practices persist. African states are in fact 'weak states' in the level of state's 'penetration' into the public or 'infrastructural power'¹⁶). The problem with many African countries is that the government has not taken a firm grip over economy and economic policies. They have not fully realized, acknowledged, and pursued the fundamentals of economic development with a strong sense of commitment and ownership. Often, privatization occurs when it is not warranted and structural reform or rationalization does not take place when they are called for. Examples include out-sourcing many government tasks and projects that the government should conduct on its own, and failing to reform public enterprises out of political consideration.

16) 'Infrastructural power' means state's capacity to enforce policy over its entire territory; the concept was introduced by Michael Mann (1984) in "The Autonomous Power of the State: Its Origins, Mechanisms and Results," *European Journal of Sociology*. 25(2). pp. 185-213.

[Figure 5] Human Development Index values, by country grouping



Source: UNDP (2018).

The main reason why industries are not flourishing in many countries is because of the ignorance of the principle of competition, or reluctance to abide by it. The failure of import-substitution industrialization (ISI) strategy that the developing world adopted from the 1950s is telling. Sub-Saharan African countries that pursued this strategy from the 1960s opted for permanent protection of their industrial products while East Asian economies protected the new industries only temporarily; the former stifled domestic competition while the latter encouraged it; the former neglected agrarian reform and development, crucial for success of industrialization, while the latter already set about agrarian reform before industrialization¹⁷).

In the MENA, the degree of state involvement in all aspect of life is deemed much higher than Sub-Saharan African countries. However, the issue here is not state intervention *per se* but the capacity and effectiveness of government to deliver economic and social values, responding to various domestic and international challenges or crisis. MENA states have much work cut out for them to respond

17) Kanayo Ogujiuba (2011), "Import Substitution Industrialization as Learning Process: Sub-Saharan African Experience as Distortion of the "Good" Business Model," *Business and Management Review*, Vol. 1(6), pp. 8-21.

to youth unemployment, promoting private sector, industrialization, and economic diversification.

In the case of Latin America, the predicament of the countries in this region is generally attributable to political fix and lack of commitment to undertake difficult but necessary measures. Social economic ‘inertia’ driven by political convenience and vested interests seems to be at the heart of the matter, with the abundance of agricultural resources probably contributing to the perpetuation of such tendency. Latin American countries do have significant advantage over African and Middle Eastern countries in terms of the length of history of national independence, as most Latin American countries gained independence from European colonial powers during the early 19th century. However, they have not fully capitalized on their established institutions and political stability to accumulate technological and industrial capability, and economic competitiveness, to move up to the level of highly advanced economies.

III. The Imperative of the Holistic Human Development for Transformative Development of Nations in Africa and Beyond: Insights from Korea

1. Characteristics of Korea's Development Approach

I have argued that ‘economic discrimination’ and strong ‘development-mindedness’ constitute the two principal drivers of Korea’s transformative development (Jong-Dae Park, 2019). ‘Economic discrimination’ means economic meritocracy or accountability, and ‘development-mindedness’ refers to the mindset that is conducive to development. The principle of ‘economic discrimination’ which was widely and strenuously applied in 1960s and 1970s is what drove Korea’s economic growth during that period; along side this, active promotion of ‘development-mindedness’ on the part of the people greatly contributed to social-political development of Korea.

The value and applicability of Korean development model for African and other countries with low income levels are found in the following: (i) Korea started out as one of the poorest nations, war-torn and deficient in natural resources; (ii) Korean development model is all about pragmatism and producing concrete results, based on the fundamentals of development like the ‘economic

meritocracy' and prioritization of human development, to break the status quo; (iii) the Korean example highlights the need for 'multitasking' and how this can work at the early stage of development; (iv) it is the success story of growth of businesses and industrialization; (v) Korea's development mode is 'participatory', characterized by the active involvement of all the entities --- individuals, social groups, private firms and government --- and their close collaboration for economic development; (vi) the development endeavour covered all economic sectors (light industry, heavy industry, agriculture-rural, construction, etc.) and regions (urban and rural areas); (vii) it is a highly successful case of targeting human capital, actively utilizing and fostering it, and which also effectively employed social capital for meeting various challenges the nation faced¹⁸).

What stands out in the Korean method of development is the dual-track approach of pushing forward on both economic and social fronts at the same time to produce highly synergistic effects. The state took the lead in instilling a strong sense of economic achievement and accountability in the businesses and fostering developmental mindset of the people, which couldn't have been more timely under the circumstances. This produced an ideal outcome of 'compressed development' in economic, social and political spheres, and the Korean success story is a vindication of the maxim "adversity is opportunity" when actions are taken in proper and timely fashion.

'Multitasking' and 'participatory development' are also the key features of Korea's development approach. The ability to perform numerous missions in a multitasking manner is a good indicator of whether they can be actually accomplished. Commonly, development projects in Africa are delayed or break down because they are not conducted in conjunction with other tasks or projects that need to be carried out in sync. Effective multitasking may not hinge on the level of expertise *per se* but rather on the level of 'discipline' with which they are performed. The essence of development is about how much positive change can be brought about as expediently as possible. In national economy, many sectors and projects are closely interlinked; therefore, they should be

18) Jong-Dae Park, "The New Initiatives for Africa's Development: Finding the Answers in the Korean Development Model" (Korean), *Review of Institution and Economics*, Vol. 15, No. 3, 2021. pp. 73-75.

worked on *in tandem*, not tackled one by one, each one at a time.

Most of all, ‘participatory development’ assumes huge importance; it means “a large segment of the populace, the majority of people directly and actively participating in the process of development, in economic, social, and political realms, in the ‘balanced’ manner, as both *consumers* and *suppliers*”¹⁹). The crux of the of Western modernization history lies in participatory development, a process spanning centuries. The empowered people --- citizens and burgeoning middle class --- actively took part in both industrialization and democratization process. Developing nations today cannot and need not take a such long time to realize such comprehensive and transformative development. The process of economic and political development can be learned and significantly shortened, as exemplified by the case of Korea.

2. Significance of Holistic Human Development : The Need to View Human Capital in the New Light

The primary emphasis of this study centers on human capital. While Western nations have tirelessly emphasized the importance of institutions, what holds greater significance is human capital and social capital. Human capital serves as a crucial foundation, initiating various aspects of development. Social capital, equally vital for progress, is an extension of human capital. Often, we discuss markets and institutions as if they are non-human entities, yet they exist due to human actions and behaviors.

To fully grasp the concept of human capital, a renewed thinking is needed. Traditional notions confined human capital to formal education, primarily school education. Human Development Index (HDI) developed by the UN is a more comprehensive indicator of human capital taking into account three elements - education, health, and income level. While these universal indicators are useful, they also come with limitations, leading to the proposal of various alternative indicators. Recognizing education merely as the accumulation of knowledge or formal education risks being short-sighted as these don’t necessarily produce

19) Jong-Dae Park (2022), “Political Economic Perspectives on the Development of the Middle East and North Africa”, *Journal of Public Choice*, Vol. 1, No. 1, pp. 104-105.

the intended outcomes by themselves. Equating knowledge (or school education) to capacity is naive because having knowledge and taking concrete actions are two very different things. Therefore, a more accurate and realistic terminology for human capital is needed.

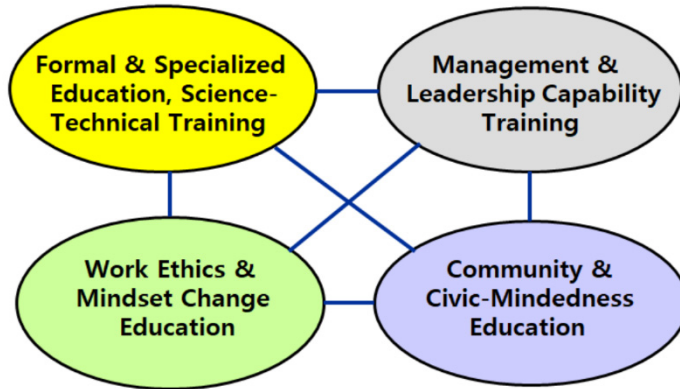
A more rational way of perceiving human capital would be that it is made up of three key components: capacity, attitude, and personal traits. First, 'capacity' generally means education level and professional expertise. Second, 'attitude' can be defined as "a manner of thinking, feeling, or behaving that reflects a state of mind or disposition"²⁰). Attitude is a crucial factor of human capital as it influences actions to transform latent capability into manifest capability. Attitude can also be synonymous with 'mindset', and from the developmental perspective, its significance is paramount. Finally, 'personal traits' should be acknowledged as an element of human capital as they also matter; every individual possesses unique traits or individuality, which can serve as an asset.

The Korean development model, anchored in human capital or holistic human development, is perceived as both meaningful and beneficial for African and other developing countries to embrace. In this context, Korea should champion 'holistic human development' as a primary theme of its development cooperation with the developing countries in Africa and beyond. Emphasizing the importance of *holistic human development* and exploring new avenues for collaboration with the nations to achieve tangible outcomes would enhance Korea's credibility as a development partner.

The *holistic human development* concept as shown in the Figure 6 encompasses four key areas of human capital development: (i) formal and specialized education, and science-technical training; (ii) work ethics and mindset change education; (iii) management and leadership capability training; and (iv) community and civic-mindedness education. The idea of *holistic human development* embodying all the key elements of human development must be recognized with all seriousness and brought to the forefront of sustainable development agenda.

20) See *Cambridge Dictionary*.

[Figure 6] The Idea of Holistic Human Development



Source: Modified Version of Jong-Dae Park (2023b).

There is a close interlinkage among economic, social, and political development so these should be pursued concurrently. The call for holistic human development in the developing world, which is in dire need of a turnaround, is grounded in the necessity for multi-sectoral thinking and multitasking. Human development of this nature will not only improve capabilities at a personal level, but will also have a positive impact on a much larger scale, for business and development endeavours.

The holistic human development approach is considered optimal in tackling the issue of the ‘missing links’ to Africa’s development, and it can also be effective for achieving developmental tasks of many countries of MENA and Latin America as well. The ‘unconventional’ approach of ‘work ethics and mindset change’ and ‘community and civic-mindedness’ can well supplement the ‘conventional’ ‘formal and specialized education, and science-technical training’ and ‘management and leadership capability training’ to produce highly synergistic outcomes.

In the realm of ‘work ethics and mindset change’, Korea’s renowned private institution, Canaan Farmers School, has specialized in fostering people’s work ethics through mindset change since the 1950s. The Korean government, on its part, launched public projects in the 1950s aimed at empowering the populace, following up with a full-scale modernization movement in the 1960s. The early 1970s saw the culmination of the ‘mental reform’ movement with the launch

of *Saemaul Undong* or the New Village Movement, which evolved into a pan-national movement beyond rural regions. Korea has traditionally placed emphasis on ethical values and social norms, and these were taught in schools throughout the period of modernization drive and thereafter. The official organization of the movement, Korea's Saemaul Undong Center, continues to exist, now focusing more on overseas development projects.

The significance of 'formal and specialized education, and science-technical training', is obvious but this is not the only thing that counts. In Africa and other developing regions and countries, increasing number of elites and middle class seek education in Western universities. However, they struggle to translate higher education and specialized training into tangible progress. Also, there is a growing problem of mismatch between university graduates and their employment availability. Formal education only for a handful of people is not good enough, and the necessity to have a far greater number of people to receive diverse forms of education or training like technical and vocational education and training (TVET) must be recognized.

'Community and civic-mindedness education' aims to foster 'togetherness' and social capital. For public officials, it involves enhancing public service delivery through capacity-building and strengthening accountability. In many African and Middle Eastern countries, nation-building remains incomplete, and this has no small implications since the sense of national belonging or nationhood is a basic but important foundation for national development.

Sometimes personal traits, national identity, civic values, and work ethics can converge to produce positive outcomes, as observed in Nordic countries and Korea. Nordic people are well known for their extraordinary civic-mindedness and social capital. According to a Finnish expert, for Nordic citizens, "well-being state is not about getting free money without working but...it is something that we attain for ourselves through our own efforts"²¹). There is also a national trait of Finland such as "sisu" which deserves as our attention; it has such meaning as 'grit', 'guts,' and 'perseverance' and for Finnish people, it is believed to be more than a personal quality; it is also a national

21) Anu Partenen (2016), *The Nordic Theory of Everything: In Search of a Better Life*, New York: Harper Collins, p. 234.

identity that they are proud of²²).

Lastly, the importance of ‘management and leadership capability training’ is self-evident. These capabilities are crucial at every level of society, for all types of organizations and communities. The four key areas of holistic human development presented here are interlinked, supplementary, and mutually reinforcing. For developing countries, all these need to be worked on *together*, and when the overall human capital is improved as a result, government policies and institutions, and the private sector will yield the outcomes much sought.

IV. Conclusion

If the track record of more than fifty years of international development endeavours is anything to go by, there needs to be serious reflection on the development approach that the world has been prescribing and adopting. The international development community has, over time, become increasingly technical, conceptual-idealistic, compartmental and bureaucratic, focused more on upgrading and refining approaches than being realistic, objective, and practical. Of course, development outcomes ultimately rest with developing countries themselves, and the international development community cannot make development to happen on behalf of the countries it assists. That’s why the task of international development is so much difficult. What the developing countries, particularly the low-income and fragile states, need today is much more than vague optimism and adulatory rhetoric; and most of all, routinizing the business of development needs to be avoided.

For international development, far greater attention should be paid on initial conditions like human capital, social capital, and social-cultural values or elements. For developed countries which have sophisticated economy, things like market trends and policy decisions would greatly matter. But given the wide gap in the level of human development and social fabric, institutional development, industrialization and government capacity between the most wealthy nations and low-income developing nations, national priorities between these two groups cannot be the same.

22) Joanna Nylund (2018), *Sisu: The Finnish Art of Courage*, London: Running Press Adult.

In the countries that have underdeveloped markets, which is common in Africa, neoliberalist approach predicated on well-functioning market mechanism, has obvious limitations. When the mindset of government officials and elite class are not geared towards public interest, when they lack responsibility and discipline, when people in charge of running institutions and enacting policies have issues with respect to attitudes and capacity, how worthy can institutions and policies be? In the end, human attitudes and efforts makes all the difference, so why hasn't this problem been addressed from this perspective with the seriousness it deserves?

Not negating the importance of good institutions and policies, which are indeed essential for any country, partners of development cooperation must squarely face the imperative of holistic human development and devote a great amount of endeavour and resources to promote holistic human development in nations that need it the most. In this regard, Korea can, using its know how, play a meaningful role in collaborating with African and other developing countries to bridge their development gap with the holistic human development approach. In order to take on such endeavour with success, Korea would need to be well prepared on its part, including formulating a workable strategy of development cooperation focused on holistic human development. Having a unique experience of transitioning from being one of the poorest countries to become an OECD DAC member over the last 50 years, Korea has much to offer and contribute to the cause of international development.

Countries that continues to struggling to improve their development status and capacity must change their approach, and not do the same things that only bring about the same results. A major problem with how things are done in most cases is that developing countries are in the receiving end of advises and ready-made solutions. In many instances, there is no lack of masterplans, roadmaps, and blueprints. However, progress in development actually comes not from having good manuals or solutions in hand, but from facing squarely all the problems that arise in the process and tackling each and every one of them as they appear. Countries need to move away from 'solution-oriented approach' to 'problem-oriented approach'²³). This is because in reality, there

23) Matt Andrews, Lant Pritchett, and Michael Woolcock (2017), *Building State Capability: Evidence,*

are always contingencies and unforeseen problems that spring up at every step of the way. In this respect, holistic human development approach has all the ingredients to fulfill the tasks in the problem-oriented fashion, because it focuses on ‘doing’ rather than ‘having’.

The Korean model of national development is the embodiment of the fundamental principles of development. No matter how elaborate the ideas and schemes, like the sustainable development goals (SDGs), they cannot produce the desired outcomes when the fundamentals of development are not embodied and followed. Transcending space and time, the iron rule of mankind is that what must be done must be done, especially if it concerns people’s livelihood. Life itself is a tough proposition, and improving the lives of nations cannot be more daunting task. However, international development appears to have turned into populist and routinized form of welfare service far removed from its stated goals. Something unconventional and creative is much in need. Korea may well take on this task with the initiative that puts holistic human development at the front and center. Specifically, Korea needs to mainstream holistic human development approach in its development cooperation with the countries in need of fundamental change for national development.

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<한글초록>

한국 사례에 비추어 본 개도국 국가발전을 위한 전인적 인간 개발의 중대성

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국제개발공동체가 발전을 거듭함에 따라 보다 정교한 접근 방식, 의제 등을 계속적으로 도출해 내고 있다. 그러나 이와 같은 개발 접근방법의 빈번한 변화는 국제개발협력의 성공보다는 부진한 성과를 반영하는 것이라고 여겨진다. 왜냐하면 대다수 개도국들은 독립 당시 열망했던 것과 같은 수준의 근본적인 국가발전을 아직 달성하지 못하고 있기 때문이다. 예를 들면, 아프리카의 경우, 여타 세계와의 소득 격차가 줄어들기는 커녕 더욱 확대되고 있는 실정이다. 개도국들이 직면한 경제 문제는 자원이나 재원의 부족이나 정책의 결여보다는 경제 주체들의 활동 및 역량, 공공 및 민간 부분의 관리 능력에서 비롯된 것이다. 서방 선진국 중심의 국제개발체제는 올바른 제도와 정책이 마치 개발을 위한 만병통치약인 것처럼 강조해 왔지만 제도와 정책은 스스로 작동하지 않으며 사람의 노력에 의해 그 기능히 발휘 되는 것이다. 국제개발공동체가 소기 성과를 내지 못하고 있는데 대해 문제의 근원이 어디 있는지를 간파하는 것이 중요하며, 이에 대한 냉철한 숙고가 필요하다.

여기서 가장 중요한 ‘빠진 퍼즐조각’이란 바로 ‘전인적 인간 개발’이라고 판단되며, 이는 (i) 공식 및 전문 교육, 과학 및 기술 훈련, (ii) 직업 윤리 및 의식개혁 교육, (iii) 조직·경영 관리 및 리더십 교육, (iv) 지역공동체 및 시민의식 교육 등 4가지 요소로 구성된다. 한국의 발전 모델은 개발의 근본 원리들을 함축하고 있으며, 한국이 압축적 경제발전과 압축적 정치 발전을 모두 이룩할 수 있었던 것은 전인적 인간 개발에 힘입은 바 크다고 하겠다. 한국은 전인적 인간 개발의 경험을 십분 활용, 개도국내 전인적 인간 개발 노력을 지원하기 위한 파트너십에 적극적이고 주도적으로 임할 필요가 있다.

주제어(key words): 전인적 인간 개발, 인적자본, 사회적 자본, 참여적 개발, 경제적 차별화, 개발의식, 국민 역량 강화, 보유 문화와 행동 문화.

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