4. CURRENCY AND THE VALUE OF MONEY

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As the capital of an advanced industrial economy, Seoul is also the commercial center of South Korea. During the past few decades, a consumer culture has emerged that in many ways is more advanced than that of a Western metropolis. Like other major modern cities, downtown Seoul and other trendy areas are filled with department stores, boutiques, and stores selling the latest goods, many of them imported. These places are crowded with young people whose purchases set the trends for the rest of the country. Both transactions and product life cycles are incredibly rapid; hit products seem to emerge and disappear in the blink of an eye. More recently, e-commerce has undergone tremendous growth; products and services purchased online can be enjoyed immediately or delivered within a day. Amidst all this modern consumption, the city retains traces of an earlier commercial past. Many older types of market remain in Seoul, such as the so-called jaerae sijang where many people buy fruits, vegetables, and fish, as well as other daily necessities. Most date back to the early or mid-twentieth century, but some of them, such as Namdaemun Market, have a surprisingly long history going back to the Joseon era.

One of the most important developments of the Joseon period was the rise of markets. From the seventeenth century, a network of markets emerged throughout the country that transformed its economy. The increasing commercialization of economic life led to the widespread use of metal currency. Both markets and metal currency had existed before in the Korean peninsula, but they now penetrated further into the lives of commoners than they had before, becoming permanent parts of the economy. This chapter begins with a brief discussion of the developments in agriculture that led to the rise of markets, and then it examines the types of currency used in the Joseon period. The last section discusses the value of currency – i.e., prices. Research on prices in the Joseon era is still in its early stages, but there is sufficient data on basic commodities to provide another window on life in this period.
How Did Commerce Develop from an Agrarian Society?

One of the preconditions to commercial development was a rise in agricultural production. By the beginning of the Goryeo period, agriculture in the Korean peninsula had reached a relatively advanced state, but it was still necessary for farmers to let fields lay fallow once every two or three years in order to maintain their fertility. Thanks to technological advances, continuous cultivation spread during the eleventh to fourteenth centuries. The practice of fallow farming disappeared by the beginning of the Joseon period. At the same time, a new technique was introduced that brought about a revolution in agricultural cultivation – rice transplantation. Farmers up to that time had engaged in dry sowing, planting seeds directly in unirrigated fields. With the new technique, seeds were first planted in a small seedbed; after the seedlings reached a certain height, they were then transplanted to irrigated fields. As explained more fully in chapter one by Kim Kuentae, rice transplantation enabled a much more efficient use of both labor and land. Peasants could now farm on more land as cultivation moved into lowland areas, and double cropping became possible. After the Imjin War (1592–1598), the technique of rice transplantation became widespread throughout the country, increasing the productivity of land even further.

It is difficult to determine the productivity of land during the Joseon period accurately since statistics from the time are very fragmented and since the system of measurements was different from that of today. Units of measurement were established in the first half of the fifteenth century during Sejong’s reign. At that time, land was measured in units of *gyeol* and *bu*, with one *gyeol* equal to 100 *bu*. *Gyeol* and *bu* were not units of area but units of productivity used to determine the amount of tax to be levied from a plot of land. In other words, the units referred to the amount of land necessary to produce a specific amount of grain. For instance, in the fifteenth century, the annual yield for one *gyeol* of paddy field is estimated to have been about 240 *mal*. The size of land in units of *gyeol* thus varied according to its fertility. In the *gyeol-bu* law of 1444, the units were divided into six grades with grade-one land being the most fertile (and having the smallest area) and grade-six being the least. One *gyeol* of grade-one land was equal to an area of 2,986.6 *pyeong*, while grade-six land was four times larger at 11,946.4 *pyeong* (one *pyeong* = approximately 3.3 square meters).

The value of a *mal* was different in the Joseon period than it is today when one *mal* is equal to about eighteen liters. Scholars do not agree on the exact value of a *mal* in Joseon times; estimates range from as little as