

## LESSON 12

# *The Modernization of Seoul*

Seoul, the capital of modern South Korea, was founded in 1392 at the beginning of the Choson Kingdom. Seoul's evolution reflects the history of Korea and shares similar stages of growth with cities world wide.

During the Korean War, over 200,000 buildings in Seoul were destroyed. In the 1960's and 1970's, President Park Chung-hee led the modernization of South Korea, transforming the country into a formidable economic force and Seoul into the "Miracle on the Han River."

### **LINKAGE WITH CURRICULUM**

\*World History  
\*Urban Geography

### **MATERIALS**

\*Handouts  
Accompanying  
This Lesson

### **Purpose of Lesson and Overview**

Students will examine the political, social and economic evolution of in Seoul over the last 600 years and will identify patterns of change.

Students will assess the contemporary importance of Seoul.

### **Content Focus**

Unlike most cities in the U.S., Seoul, the capital of South Korea, has endured dramatic changes in its 600 year history, including invasions, wars, isolation, colonization and rapid modernization. These events have all helped shape Seoul, site of the XXIVth Olympics in 1988 and one of the world's ten most populated cities today.

Seoul was founded in 1392 at the beginning of the Choson Kingdom. Like other capital cities, it was a center of government and commerce; it provided protection and leadership for the rest of the country. Although, Korea — and thus Seoul — was known for a time as the Hermit Kingdom, both were thrust into the international arena in the 1800's and became the focus of wars and power struggles in this century.

# LESSON 12

## The Lesson: The Modernization of Seoul

<b>OPENING</b>	<ol style="list-style-type: none"><li>1. Ask students what images, buildings, historical figures or other features characterize their city or a nearby one. How did this city get started? What are the oldest parts of the city? Who lived there, what was its major industry and what functions did the city serve when it was founded? What are its chief functions now?</li><li>2. Have students find out how Seoul developed from a small city with two purposes — to govern Korea and to house the royal family — into the vibrant vibrant modern capital South Korea.</li></ol>
<b>READING</b>	<ol style="list-style-type: none"><li>3. Divide students into four groups. Have each group read one of the five sections on Seoul's history and report to the rest of the class how at least two of the following functions had an impact on the growth and development of the city.  Functions:<ol style="list-style-type: none"><li>a) Center of government and politics</li><li>b) Center of culture and society</li><li>c) Center of the country (geographic considerations)</li><li>d) Center of economic and commercial activity</li></ol></li></ol>
<b>QUESTIONS</b>	<ol style="list-style-type: none"><li>4. The following guiding questions can be used by students as they consider the city's functions.  <u>Center of Government and Politics</u><ul style="list-style-type: none"><li>• What was King Taejo's message in constructing Chongmyo as the capital's first building?</li><li>• How did Seoul's landscape change when foreigners were allowed in?</li><li>• What do the gates of the city wall tell us about the city?</li><li>• How did Japanese colonization affect the city's plan?</li><li>• How did Seoul lose its sovereignty during the Japanese colonization?</li><li>• Describe how Seoul's landscape changed due to (a) the Korean War and (b) the industrialization of the 1960's.</li><li>• Was it a good idea to destroy traditional buildings and landmarks to make room for larger roads and high-rise buildings in the downtown area? Why or why not?</li><li>• If North Korea and South Korea ever reunite, many North Koreans may relocate to Seoul. What problems might Seoul then face? What action might city planners in Seoul take to accommodate a potentially sharp increase in population in the future?</li></ul></li></ol>

# LESSON 12

## Center of Culture and Society

- How did changing cultural values affect Seoul in the 17th century? Why did this happen?
- Until 1996, the former Japanese colonial Government-General building was used as the National Museum. It was destroyed in order to preserve the original plan of the city. What does this action tell you about Korea's current mood? Do you agree or disagree? What would you have done?
- How has economic growth affected Confucian ideals? Give examples, of the impact of the modern industrial economy on the family, the work place values. What impact does modernization have on the Seoul's population?
- What kind of dwellings did families in Seoul live in during the 17th and 18th centuries? What are family homes like now? How are they different? What influenced these changes? What do these changes tell you about urban life today?
- As host of the 1988 Olympic Games, what message did Seoul send to the world?
- Describe how parts of the city grew to reflect modern cultural values and ideas. (Olympic Stadium, relief center, Confucian symbols, etc.)
- Analyze the pros and cons of living in modern Seoul.

## Center of the Country (Geographic Considerations)

- Why did King Taejo select Hansong/Seoul as the capital of the Choson Kingdom?
- What do Koreans consider a "good" site for a city? How does Seoul fit the model?
- While Seoul's location was a good one in the 14th century, was it always a good place for a capital? How did Seoul's location impact the country in the 20th century?
- Evaluate the effects of environmental changes and crises on the growth of Seoul in the 17th century.
- What impact, if any, does the 38th parallel and its proximity to Seoul have on the city?
- What benefits has the Han River provided citizens of Seoul?
- Why was a center of assistance important in case of war or natural disaster?

## Center of Economic and Commercial Activity

- Why was Seoul's economic growth slow for many centuries?
- Did Seoul grow in the 16th century? Why or why not?
- What caused Seoul's first significant spurt of growth? How did that growth affect the city?
- How did Japanese colonialization influence Seoul's urban planning?
- What impact did industry and changes in transportation have on the city? On families?
- What caused Seoul's housing and transportation crunch in the 20th century? When did these issues become problems?
- How did the shift of the Korean economy from agriculture to industry affect the population of Seoul?
- How did economic growth affect Confucian ideals? What impact does the weakening of Confucian traditions have on the Seoul population?

# LESSON 12

Have students discuss how Seoul functions today and how it reflects or leads the nation in political, economic, social and international concerns. Students can also compare and contrast the development of Seoul with the development of their state or national capital or a major city on another continent.

## **World Wide Web**

<http://www.koreaembassyusa.org/>

[http://english.seoul.go.kr/today/about/about\\_13seou.htm](http://english.seoul.go.kr/today/about/about_13seou.htm)

<http://english.metro.seoul.kr/index.html>

<http://www.kiep.go.kr/main.nsf/emain.htm>

# LESSON 12

## Handout I

### Birth of a City (14th-15th Centuries)

Seoul is located in the northwest area of South Korea and in the middle of Korean peninsula. A thousand years ago, the area as a dwelling site for Stone Age people. Dugout homes, pottery and tools have been discovered along the Han River, which flows through Seoul. Tombs and artifacts from Paekche Kingdom (18 B.C.-660 A.D.), whose have also been found along this part of the Han River.

In 1392, Yi Song-gye, founder of the Choson Kingdom wanted to establish his own capital, he chose a place that was physically removed from the capital of the rulers he overthrown and one whose physical beauty and power would establish him as the legitimate leader of Korea. General Yi, who took the name Taejo (means the founder of the kingdom) consulted the Buddhist priest Muhak, who traveled through central Korea in search of an appropriate location. The priest needed to find a site whose topography, or terrain, could be well defended and whose location was in harmony with nature. He used traditional principles of *fengshui*, based on Chinese beliefs about harmony and balance. Finally, he selected Seoul as the ideal location for King Taejo's new capital.

Respect for natural surroundings is apparent in old maps of Seoul, which display the mountains and river prominently nestling around the city. Seoul contained the natural elements needed to prosper as a city. To its south was south the Han River to provide water and transportation. Protective mountains in the north offered a natural defense for the city. Four mountains were compared to four Daoist protectors — the black turtle to the north, blue dragon to the east, white tiger to the west and red peacock to the south. The dragon represented the rising sun and the tiger the setting sun. Together they brought wind and rain. The capital would gain power and energy from these elements. Buildings were to be small and low in deference to the mountains. This concept also represented the Daoist principles of yang (mountains were the bright male spirit) and yin (buildings were dark, female, earth).

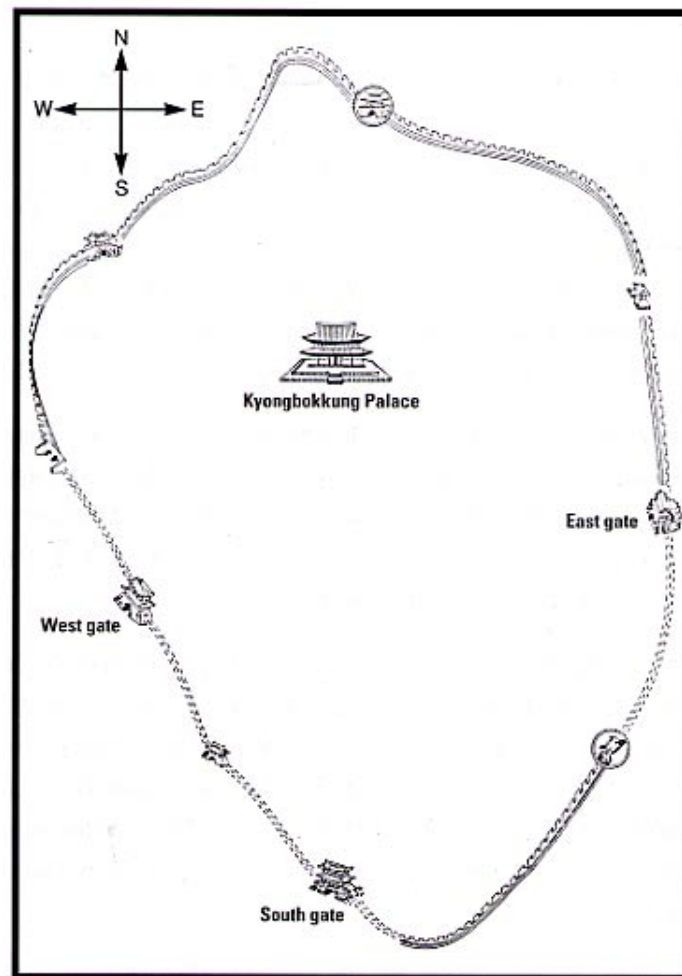
King Taejo constructed a carefully planned city to be in harmony with its natural surroundings but he also designed it to be practical and efficient. Main roads led to the palace. The city had living areas and market places. Drainage canals ran along the walls of the city. But the chief function of Seoul was as a well protected royal residence. Kyongbokgung, the king's main residence was located at the foot of the northern mountains, so that the rest of the city would spread out at his feet.

A long wall was built around the city, linking the four mountains for protection. The wall had four main gates related to the four compass points and four smaller gates. Each gate was reserved for specific categories of visitors such as the royal family, government officials, Chinese visitors, merchants. The first building constructed was Chongmyo, a shrine to the royal ancestors. This building showed Taejo's commitment to Confucianism, which emphasized reverence and respect for one's ancestors. Taejo and his descendants of the Choson Kingdom organized their government along Confucian lines and replaced Buddhism with Confucianism as the official state doctrine.

## LESSON 12

The main thoroughway of the new capital led straight to Kwanghwamun, a gate that led to the palace grounds. Within the city walls lay residences for the royal family, their servants, government officials and scholars. Farmers and merchants lived outside the walls. The city was organized so that the population was distributed according to their functions and matched Confucian and Daoistic symbolisms. Scholar-officials lived in the northeast, officials without government appointments lived in the southeast and mid-level government administrators lived in the middle section of Seoul. Shops were tightly regulated by the government. Only licensed merchants were allowed to conduct business, which took place in certain designated areas within the city walls.

As the capital and royal residence, Seoul was an important place to visit. The civil service examination, taken by young men in search of government jobs, was held each year at the palace. So aristocratic families had to send their sons to the capital if they wanted to gain key government appointments. During the 15th and 16th centuries, Seoul grew at a slow but steady rate. By 1414, there were 91 market shops designated for commerce. They were regulated by agencies overseeing sanitation, taxation and prices. Confucian thought merchants ranked very low in the society they did not create anything but instead took money from hard-working people for goods made by others. The total population fluctuated between 100,000 and 200,000 people.



Gates of Seoul, C.1400's

# LESSON 12

## Handout 2

### **From Capital of the Hermit Kingdom to Economic Center (16th-19th Centuries)**

After its founding as the Choson capital in 1392, Seoul grew slowly but steadily. Its growth came to a halt, however, in the late 1500's when the Japanese invaded Korea. In 1592, the Japanese general and warlord, Hideyoshi, invaded Korea, after Korea refused to allow his forces to march through Korea to attack China. For six years, the Japanese burned and looted the country. Seoul was ruined and shrank in size. The royal residence of Kyongbokkung was burned by commoners angered by the king's decision to flee north. This symbol of royal power was not rebuilt until 300 years later. Korea had barely begun to recover from the Japanese assaults when the Manchus, people from northeastern Asia, overran the peninsula in 1627 and 1636. Once again Seoul was destroyed.

Natural disasters, including droughts, famine, tidal waves, hurricanes and earthquakes, brought further hardships to Korea during this time. Yet these natural disasters brought people to the capital seeking relief in the form of rice. Since the government had the power to collect and store rice, it was in a position to distribute food to starving peasants. The government set up a system to give food in exchange for labor. It had built rice storage facilities along the Han River. Around these storage areas that lay outside the city walls of Seoul, commercial activity grew up and people built homes.

After the Japanese and Manchu invasions, the government set out to rebuild Korea. As part of their effort, it shut its borders to foreigners. Both China and Japan were taking similar steps in the 1600's, isolating themselves from outsiders just at the time that Europeans were beginning to sail their trading ships into East Asian waters. Korea's isolation would be so complete that it became known in the West as the Hermit Kingdom.

During the 18th century, Korean kings ignored the advice of conservative aristocrats who held much political power as well as land and began to implement various reforms. The kings redistributed some land to peasants and eased the tax burden on commoners. To bypass opposition from the ruling elite, King Chongjo, who ruled from 1776 to 1800, began to walk outside the city walls and listen to the concerns of the people themselves. He hoped thereby to prove the merit of his ideas and overcome aristocratic opponents. This practice also reflected the Confucian idea of the ruler whose job was to provide good government to his people. Chongjo's efforts to reach out to the people led to a system of petitioning. Commoners gathered at the gate used by the royal family and handed out petitions detailing abuse of power by royal officials or requesting attention on other issues.

During this period, commercial activity increased in and around Seoul. Ports sprang up along the Han River and local trade flourished. Each port handled a specific product such as rice or lumber. Despite Korea's isolation, various imported products were available, including leather goods from the Middle East and textiles from Europe, China and Japan. Meanwhile, the government eased regulations that had limited commercial activity. Private merchants and artisans competed for business with companies that had long held official licenses from the government.

## LESSON 12

Commerce led to growth outside the city walls. Areas that had once been used for agriculture were turned into building sites for stores and restaurants. In time, these “suburbs” were absorbed into the city of Seoul itself. Economic growth transformed Seoul from merely a center of government into a center of economic and cultural activity. With the rise of a wealthy merchant class came a challenge to the traditional Confucian social order. According to the Confucianist world-view, scholars ranked at the top of society, followed by peasants and artisans, with merchants at the bottom. In Confucian thought, merchants made profits off the labor of others and not by their own hands. In Seoul, however, wealthy merchants lived as well or better than landholding aristocrats. Gradually, their financial successes forced some adjustments in social attitudes although scholarship continued to be seen as the most noble pursuit.

Seoul’s expanding population required still more living space by the mid-1800’s so the city pushed outward beyond its original walls. By this time, more foreign influences were seeping into Korea. Westerners and Japan were applying ever greater pressure on Korea to open up to trade. King Kojong, who ruled from 1864 to 1907, focused on modernizing his capital. His ideas were summed up in the phrase, “Eastern Ways, Western Machines.” In other words, he wanted Korea to use western inventions but keep its traditional ways. Korean scholars such as Pak Che-ga, author of Discourse on Northern Learning, examined the world of commerce in China. He conceded that although commerce was not a noble profession, the shopping streets of Seoul needed to be cleaned, widened and paved. Taking his cue from changes in China, Pak recommended that Seoul should have visible signs for storefronts so people could tell the nature of each business and should build a waste disposal system. He even noted that the *yangban* class, or aristocrats, could become more productive by engaging in commerce and foreign trade.

By the late 1800’s, Korea had been forced to end its long, self-imposed isolation. Japan, the U.S. and various European nations won trade treaties. With the opening up of foreign trade, Korea had to modernize its ports. It began to build a railroad to link the southern port city of Pusan to Seoul and it gradually adopted other forms of western technology. Foreigners introduced new ideas as well as inventions to Seoul. At the same time, Korean diplomats and students who had gone abroad returned home with plans for improving and expanding their nation’s capital. They wanted to model Seoul on the cities they had seen abroad.



# LESSON 12

## Handout 3

### Seoul in a Time of Turbulence, 1900-1945

The early 1900's saw rapid modernization in Korea and in its capital, Seoul. The Seoul Urban Development Project was set up in 1896 to create visual and functional order for the growing city. New regulations ordered the removal of thatched roof houses that jutted over main roads. Main streets were paved and new streets were built to give better access to the city. Homeowners received funds to move their homes out of the planned roadways and to improve the exteriors of their homes. In 1899, the first streetcars were put into use to transport people around the city. Seoul also acquired modern conveniences such as electricity and telephones.

During this period, Seoul evolved rapidly from a government and commercial center into a city bustling with new industry, diplomats and foreign and Korean business people. Although King Kojong (ruled 1864-1907) had begun modernizing Korea, foreigners were increasingly making their presence felt. By the late 1800's, foreigners were taking over Korea's trade and industry. The U.S. gained valuable rights to mining and railway building. Japan obtained control over Korean imports and exports, while Russia took over Korean timber resources. The arrival of many westerners in Korea led to further changes in Seoul. Diplomats from Russia, Belgium, Britain and the U.S., for example, had western-style offices and residences built just south of the palace grounds. The new forms of transportation from railroads to streetcars reflected western technology. Christianity received a boost as missionaries flocked to Korea to set up churches.

In 1905, Japan forced King Kojong to turn Korea into a Japanese protectorate, making Korea and its capital, Seoul, into a base for future Japanese expansion. In 1907, the Japanese destroyed the original walls of Seoul and several of the city gates in order to widen roads for troop movements. In 1910, Japan annexed Korea outright, making it a Japanese colony. For the next 35 years, Japan exploited Korean resources and the population.

The colonial period brought oppression in many forms. The Japanese renamed Korea "Chosen." Many streets in Seoul and elsewhere were given Japanese names and Koreans themselves had to take Japanese last names. Seoul itself was renamed "Keijo" to reflect the language of its new rulers. The Japanese controlled businesses and schools. They put down nationalist protests with brutal force. Japanese military forces were moved into Seoul, which was no longer a national capital but an administrative center for colonial rulers.

The Japanese inflicted another blow on Koreans when they destroyed a traditional symbol of Seoul's landscape. They erected a large Government-General building between Kyongbokkung, the royal residence and Kwanghwamun, The Gate of Transformation by Light in the north. The new building symbolically cut off the energy that was said to flow from the mountains to the north through the city to the Han River. To Koreans already reeling from foreign occupation, the Government-General building was seen as a deliberate effort to destroy their cultural heritage.

## **LESSON 12**

Under Japanese occupation, Seoul was modernized with a view to increasing the production of Korean manufactured goods and to exploiting Korean resources. Factories were built and Korean workers produced cotton goods and other textiles along with rubber and leather goods to be sent to Japan. Factories provided jobs to peasants, many of whom had been forced off the land by Japanese policies. As a result, Seoul's population grew to 1 million and the city's appearance changed still further. Gone were the low structures, traditional roofs and courtyards of Korean homes. In their place, the Japanese erected tall government and office buildings. To make room for development, gardens were destroyed. Palaces were sold to entrepreneurs who moved them to other parts of the city and opened up restaurants. Many Japanese buildings were burned after Koreans regained independence in 1945; others were destroyed during the Korean War. Today, only a few buildings from the Japanese occupation remain.

Seoul was a center of resistance to Japanese rule. Much of the resistance was secret, or underground. But public protests also occurred. On March 1, 1919, a state funeral for King Kojong in Pagoda Park erupted into a public demonstration for independence. The Japanese cracked down at once turning the park into a bloody battleground. As a result of such protests, the Japanese made new plans to widen Seoul's main road so that troops could enter the city more easily.

In 1945, Koreans celebrated liberation from Japanese rule as World War II ended. Once again, Seoul became a capital city, but soon filled up with refugees. Koreans who had settled or been forced to live in Manchuria returned home, ousted by the Chinese who reclaimed the region. Tens of thousands of other Koreans left Japan, where they had been forced to work during the war. Still more refugees came from northern Korea, which was occupied by Soviet forces at the end of the war. By 1946, Seoul's population numbered 1.6 million. The city bulged and doubled in size. Unable to cope with so many refugees, the once dignified and well-tended city was littered with temporary squatter settlements.

# LESSON 12

## Handout 4

### Seoul: A Battleground in the Korean War, 1950-1953

As World War II drew to a close, the Allied Powers negotiated how to divide up lands occupied by Japan and other Axis Powers. Thus in 1945, the U.S. and Soviet Union agreed to a temporary division of the Korean peninsula with Soviet troops occupying the north and American troops the south. The dividing line between the two would be the 38th parallel, an imaginary line of latitude that lay just 30 miles north of Seoul. Decisions made by the great powers would have a huge impact on Seoul. The city was unprepared for the growth that would come with the political turmoil of the next decade and with the ideologies that would tear apart Korea.

As U.S. military forces moved into Seoul, they needed housing, headquarters and other facilities. The U.S. took over city buildings, including the Government-General building erected by the Japanese and turned them into centers for military operations. Because of Japan's rapid and complete defeat, Korea — and Seoul — were threatened with instability and economic turmoil. Thus the Americans stepped in to take a leading role in rebuilding the city government and the nation. In Seoul, for example, an American military officer served as co-mayor with the city's own mayor.

Efforts at rebuilding crashed when the Korean War broke out in 1950. Seoul, like so much of the Korean peninsula, became a bloody battleground. During the Korean War, it was overrun by communist North Korean forces and liberated by U.N. forces. The many battles for Seoul left the city a charred shell, a ruin picked over by starving survivors searching for food and fuel. In 1952, the Central Committee for City Planning was set up by a group of architects to begin rebuilding the city. But as the war dragged on, they had neither the human nor financial resources to implement their plans. When the fighting moved northward, refugees poured into the city. Many were fleeing North Korea. By the end of the Korean War, refugees swelled the city's population to 2.5 million.

When a truce ended the fighting in 1953, Seoul faced a desperate situation. More than half its people were homeless. Refugees lived in squatter slums all over the city. Many buildings had been destroyed, including at least 191,000 buildings, 55,000 houses and 1,000 factories. Although South Korea was drained of capital, natural and human resources, it had to rebuild quickly. As reconstruction began, buildings went up at a rapid pace. But they lacked visual appeal or traditional concern for harmony with nature.

President Park Chung Hee, who ruled South Korea from 1961 to 1979, launched a series of five year plans to transform the economy. During this time, South Korea changed from a low-wage, labor-intensive economy to one whose prosperity relied on the new technology industries. Seoul did not grow much physically, but it did become increasingly crowded. The city's center, which had once been surrounded by walls, was bursting with businesses and homes. Because of the crowding, markets and stores were built underground near major intersections. These stores still exist in underground crosswalks beneath busy city streets. In the old parts of Seoul, real estate prices skyrocketed. Gradually, dilapidated slums and markets were dismantled and replaced by modern structures.

# LESSON 12

## Handout 5

### Seoul Becomes the “Miracle on the Han”

During the 1960's, South Korea made great economic progress. Seoul, the showpiece of this success, became known as the “Miracle on the Han River.” Through its five year plans, the government set out to make Korea into a modern industrial nation. New industry sprang up around Seoul, causing the population to soar to 10.6 million. Rapid growth forced the government to develop plans to ease crowding in Seoul. It chose an area south of the Han River, where relatively few people lived, to build new housing. Soon huge, high-rise apartments pierced the skyline in other outlying areas. Rice growing fields south of the city disappeared to be filled by apartment complexes. The city absorbed these new residential areas into its orbit.

The new housing was unlike traditional Korean homes, which were wide, one-story structures with rows of rooms linked by courtyards and porches. Instead, residents of modern Seoul lived in vast apartment complexes surrounded by playgrounds, department stores and sports facilities. The old-style homes disappeared from the city landscape.

Transportation became a problem as the city expanded south of the Han River. In 1974, Seoul adopted a 20-year plan to continue its expansion south of the river and build new bridges across the Han. The new areas would have mixed residential and business zones, but Seoul's old center was devoted exclusively to business and cultural structures. Yet crowding remained a problem, especially as more and more Koreans bought cars. Underground parking lots were built and Seoul developed a plan for a subway system to transport people quickly to and from residential areas.

Seoul's successes won international recognition when the city was chosen to host the 24th Summer Olympic Games in 1988. Preparing for the Olympics required a huge investment in sports facilities and housing for athletes and visitors. Once again, the city expanded into a relatively unpopulated outlying region. Chamshil, an area south of the Han River, became home to various Olympic sites and the Olympic village that housed the athletes. Today, the Olympic village is used as housing for Koreans. During the early 1980's, other changes were made in and around Seoul. Areas along the Han River were turned into parks and recreational areas offering swimming pools and boating activities.

Today, Seoul is a major international city. It is home to national and international banks, luxury hotels, government buildings and headquarters for leading South Korean businesses such as Samsung and Daewoo. But growth has come at a price. Historic buildings, the old city gates and other structures have been torn down. Waterways and streams that once ran through the old palace grounds were filled in and paved over for roads. A stream called Chunggyechon was a cherished symbol and much celebrated in old poems and paintings; today it no longer exists.

As Seoul's population expanded, the city faced the same problems as major urban centers around the world. In cities, the family structure changed. In the past, Korean extended families lived in the same household and younger members cared for their elders. Today, city apartments are only large enough to house the nuclear family of

## **LESSON 12**

parents and children. Both women and men work outside the home. So many elderly Koreans have to live in nursing homes rather than with their families as they would have in the past. While the Confucian ethic remains strong in its emphasis on the family, education for the young is equally stressed. Parents work hard to make sure that their children get a good education.

A quarter of South Korea's population lives in Seoul, which has three times the population of Pusan, the country's second largest city. People crowd into the capital for economic reasons. It offers the job opportunities lacking in rural areas. As farming became more efficient and forced people off the land, many migrated to the cities. Parents want their children to attend schools in Seoul, which are more likely to prepare students for university entrance exams than schools in rural areas.

Seoul is the world's tenth largest city. It is also one of the world's most densely populated cities surpassed only by Mexico City and Sao Paulo. To prevent further overcrowding, city planners are calling for a fast commuter rail system to link Seoul and Pusan, South Korea's port. The new railroad would carry 500,000 passengers daily. There are also plans to develop satellite cities outside Seoul, reduce traffic congestion and control the city's growth rate.

After years of boom times, Seoul experienced setbacks in late 1997 when South Korea was caught up in the Asian economic crisis. As the crisis worsened, South Korea had to seek aid from international financial sources. The crisis took a toll on Seoul; the building boom slowed, businesses went bankrupt and many people lost their jobs. Unemployment and uncertainty led Koreans to spend less, especially on foreign imports.

Since its founding in 1392, Seoul has evolved from royal residence into an international city and a center of political, economic and cultural activity. During the boom times, it devoted resources to cultural institutions, building museums and restoring old palaces. It developed into a center for the arts and education and boasts Korea's top universities. For both visitors and residents, it offers a range of goods in department stores, galleries, craft shops and specialty boutiques.

Koreans worked hard to overcome the economic crisis of the late 1990's. An even greater challenge may come if the two Koreas ever reunite. How might a unified Korea affect Seoul? What new challenges might the city face? These and other question still need to be answered.