



## **Hansalim – cooperative for organic products**

### **To the table, comrades!**

Hansalim is one of the largest organic cooperatives in the world and a reflection of South Korea's development.

Article: brandeins magazine; edition February 2019

Translation: Google Translate

Text: Tobias Asmuth

Photography: Jun Michael Park







- If you drive from Seoul to Goesan by car, the navigation device will tell you as soon as the first fields appear that the region is famous for its agricultural products. Pepperoni, cereals and rice from Goesan in particular are valued throughout Korea. Kyung Dong Ho, 67, grows rice, millet and barley. "Our principle has always been not to grow just one fruit," he says. For more than 30 years he has been a member of Hansalim (German: "Keep everything alive"), one of the world's largest cooperatives for organic products. What began in 1986 as a local association of farmers in Goesan who looked for buyers in the cities for their products developed into a cooperative with branches throughout Korea. Today, the cooperative includes almost 2,300 farms and around 644,000 households; two million people get regional products delivered every day.

What makes Hansalim so attractive for farmers and consumers? If you let Kyung show you his fields, you will not only learn how he protects millet from birds and why barley is a grateful grain, but also a lot about the history of Hansalim. When he became a member in the late 1980s, environmental protection was not an issue in Korea. In agriculture, pesticides and herbicides were used without hesitation, harming farmers and their customers. Imported food scandals also caused a stir. Hansalim was the first supplier to satisfy the demand for regional and pesticide-free products. A starting advantage.

Farmers should provide healthy food, the customers in return secure their existence - that is still the basic idea of the cooperative today. "Hansalim is a protective shield for us farmers," says Kyung. But the situation had become more complicated. The rate of growth has slowed. And there is more competition from other suppliers of organic food, which is actually a good thing. Kyung is more worried about the zeitgeist: "The young people live alone and simply don't cook anymore." The food should be healthy, but not expensive. "We have to further develop our offer. We need factories that can produce finished products." Hansalim already owns processing companies for soya, rice or grain, such as the Goesan Multigrain Farming Cooperation. In the factory grain is dried, cleaned, stored, packed and delivered to the cities.

Producers and consumers are usually jointly involved in the operations of the cooperative. Since the cooperative does not work for profit, surpluses are reinvested, for example in new machines. A joint advisory board decides on the investments. "In the free market, between 30 and 50 percent of the price goes into processing, distribution and advertising," says Kyung, "with us it's five to seven percent."



Kyung Dong Ho uses scarecrows in the shape of falcons to keep birds away from his sorghum fields.

Therein lies one reason for the success of Hansalim: Since there are no middlemen making their cuts, the farmers can live from their work, and the buyers in the cities do not pay inflated prices.

Portraits of the cooperative's two founders hang in front of Hansalim's offices on the fourth floor of a high-rise building in Seoul. Under Park Jai Il's picture, it reads, "Cultivation and consumption are one and the same process." And under the portrait depicting Jang Il Soon is the line, "It is a universe in a grain of rice."

Kim Ho-Ki, professor at the Institute for Social Sciences at Yonsei University in Seoul, sees this sentence as an answer to the problems of the present: unlimited capitalism, new nationalisms, the overexploitation of natural resources. Jang's most important thought is respect for all living things. This is followed by an appeal for cooperation: "It's not about competition, it's about community. A principle that is anchored in Asian philosophy." Jang wants to protect individuality through community, not replace it, says Kim. The principle of the cooperative is a "collective individualism".





Ahn Sang Hee picking mushrooms. Dung matures under the tarpaulin for later use.

## **The townspeople help the farmers – and vice versa**

“Rice is the essence of every other food in Korea. Kind of like the seed of our society,” says Yoon Hyung Geun, 54, Executive Director at Hansalim. The price of rice is therefore also the most important price. He is fought hard for. Farmers have been paid a little less for the past year, says Yoon. In the end, it was agreed that the cooperative needed more money for operating costs and investments.

Every year, a committee decides on the earnings of the farmers and the prices for the products. In addition, there are monthly preparatory meetings between producers and consumers, at which both sides estimate the costs for the farmers and the burden on the buyers, evaluate the past harvest and make forecasts for the coming one.

At the beginning of Hansalim, the meetings were informal, says Yoon. Many of the farmers and townspeople fought together against the dictatorship and for democracy. The atmosphere is often tense today. "Producers and consumers are actually more opponents than partners. Some want a lot of income and high prices, others want good quality that should cost little." In the years of success, this capitalist logic seeped into the cooperative. And so today the negotiations are much harder than before, even before the actual meeting, behind the scenes, so to speak. "We still manage quite well to find compromises, i.e. wages and prices that both sides agree with." In order for things to stay that way, understanding for each other is needed. Yoon Hyung Geun and his 200 or so employees in the simple open-plan office in Seoul want to see to that. There they write newsletters and publish a monthly members' magazine, but above all they organize visits by farmers in Seoul, Busan or Gwangju and country trips for the townspeople. "People need to tell each other their stories," says Yoon. In addition, his team answers members' questions over the phone, oversees the further development of the range and is working on its own seal of quality, which in future will also indicate the CO2 emissions associated with the production of the respective food.

A product is not just a product, but a process, says Yoon. The mission is to change lifestyles through the products. "Korean society is changing right now, the young are giving up things that until recently were taken for granted, a lifelong job or a large family. Money can't buy these things," says Yoon. The economic crises of 1997 and 2008 shook belief in the eternal economic boom, for which everyone would have to give everything. On the other hand, Hansalim sets the ideal: "Every life comes first." Yoon quotes the philosopher Choe Je U, whose worldview Cheondogyo (The Heavenly Way) combines Confucian, shamanistic and Christian ideas, celebrates nature and inspired the Hansalim manifesto.

## **Koreans value local produce...**

The family farm of Ahn Sang Hee, 70, who has been a member of Hansalim since it was founded in 1986, is located in one of Goesan's most beautiful valleys. Ahn has been growing rice and raising pigs all his life. Since he doesn't want to hand over the farm to his children ("They would only sell it in the end anyway"), he fulfilled an old dream in 2014 and founded what he calls a seed factory. At some point he might want to donate the 24,000 square meter area to Hansalim. A group of supporters pay wages for his two employees.





He also has chillies: Ahn Sang Hee in the greenhouse (top) Bottom left: Kwak Keum Soon, the cooperative's consumer manager Bottom right: Yoon Hyung Geun, managing director of Hansalim

Because Korea was industrialized late, many city dwellers still have an awareness of life in the countryside. If a new trade agreement with the USA allows cheap agricultural products to be imported from there, not only farmers but also people in the big cities will worry.

"Today, only about 30 percent of the seeds used come from Korea," says Ahn. "We have to collect our native seeds now so that we can still plant them tomorrow." Hundreds of varieties, primarily rice and grain seeds, are stored in a chamber cooled to minus 20 degrees Celsius. Ahn gets them from farmers all over the country. He multiplies the seeds to obtain larger quantities, which he then trades with Hansalim farms.

Ahn leads through the fields that hug the slope of a small mountain. First a few rows of sesame bushes, between which it almost disappears, then the black beans, which should actually have been harvested by now, but the summer was too dry, then the peanut bushes, millet, some date trees ("If you don't eat dates, you'll get old quickly"), finally below the forest in a small depression the field with rice, a total of 17 different varieties, Ahn's particular pride. His favorite is one with long red spikes, robust but with fine grains and delicate.

## **... and they love good food**

Kwak Keum Soon, the managing director of the cooperative responsible for customers, invites you to Hansang, which means "Hansalim's table". It is the first restaurant in Seoul to cook only with the cooperative's products. There is a rice and vegetable porridge, mung bean pancakes and sotbap: rice with lotus roots and seafood in an iron pot. Kwak has been with Hansalim almost since the beginning. She wanted to support farmers who were being left behind in South Korea's rapid development process, and she wanted healthy food for her family.

She helped to improve the transport of groceries to the cities, to open the first shops and to tailor the assortment to the wishes of the customers. She was elected to office seven years ago. Next year she will give up the post, which can be elected twice at most. She does not receive a salary for her work, only an expense allowance.

Above all, your job means listening. The cooperative members in the cities not only have a say in prices, but also in product safety and environmental protection standards. It's sometimes exhausting, she says. But being responsible for something together appeals to many people who are used to doing as they are told in Korea's traditionally hierarchical society.

In Korea, too, people's demands on the world of goods are increasing, says Lee Hyung Seok, head of the Korea Social Management Institute. "People want to be satisfied not only physically but also psychologically. They are convinced that companies should not only strive for profit, but should also have a social function in society." Hansalim fits this change in



attitude: "People don't just buy good quality rice or vegetables, they buy an experience. You are part of a movement."

The cooperative is also successful because Koreans love good food and are willing to pay for it. Word has gotten around that the cooperative delivers quality. Hansalim never advertised, says Kwak. "We have relied on us to convince people who then tell other people about us." Every year thousands of new cooperative members are added. However, the growth is not large enough to accommodate all farmers who want to produce for Hansalim. In order to increase sales, people who are not members of Hansalim have also been able to shop in the stores for two years. You have to pay 10 percent more for the products.



They were drawn to the country: Park Ho Chul is a new builder, his wife Kim Hye Sung works as a saleswoman in the cooperative shop

## **Dropouts strengthen the cooperative**

Since the founding of the cooperative, the number of farmers has also decreased in Goesan, but new ones have been coming back for some time. Park Ho Chul, 34, starts his day at nine o'clock when he meets with colleagues in the fields of Ahn Sang Hee's seed factories and together they discuss what needs to be done. At the moment it's mostly weeding. At eleven o'clock there is a short break - "mainly to have a sip of makgeolli (Korean rice wine)" - then the soil around the sesame bushes is loosened. At 1 p.m. we eat, mostly in the field, where we also take a little nap and then work again until 7 a.m.



Park wears a ponytail, laughs a lot and likes to talk about his work. He moved here from Seoul three years ago with his wife Kim Hye Sung, 35. Since their marriage in 2013, the two have been members of Hansalim and, as they say, on the lookout. You belong to a generation that cares about ecology and is disillusioned with the consequences of the economic crisis of 2008 and the reign of the authoritarian President Park, who was ousted two years ago because of corruption. "Competition and more competition wears you out," says Kim, who used to work as a kindergarten teacher in Seoul.

When the two took part in a course for hobby gardeners in Goesan in 2016, they were so fascinated by the work and nature that they stayed. Park began training as a farmer, and Kim has been selling vegetables at Hansalim's local store ever since.

With the seed manufacturer Ahn Sang Hee, Park has a sponsor who not only shows him which fruit goes on which field at what time, but who also helps the two townspeople to settle into the village community. "Community is actually at the core of Korean agriculture," Park has learned.

How does he envision the future of the cooperative? Park takes his time with the answer: "There are more and more farmers who want to join Hansalim. I can understand that. With a lot of effort you grow a fruit on the largest possible fields. If the harvest fails, you quickly find yourself in debt. If that happens twice, in the end."

In order to become a comrade, the farmers have to submit an application for membership and, in a certification process, undertake to farm organically. That means doing without chemicals, avoiding waste and conserving resources. Then they need patience, because there are waiting lists. The reason: the farmers should not compete with each other with what they offer, and there should be no overproduction.

Income disparities can also be large at Hansalim, "depending on how many fields you have," says Park. But thanks to the price guarantee, everyone would have a solid income. He often talks to his colleagues about the future. Many are in favor of winning more customers and therefore also advertising. But he is of the opinion that the cooperative should not continue to grow: "I think the philosophy of Hansalim can only take a certain size." ---

### ***"Preserve all living things" - the story of Hansalim***

*The cooperative has its roots in the protests against Chun Doo Hwan's dictatorship. In the mid-1980s, farmers in difficult economic situations turned to the townspeople. Her cry for help was: "Save your dining table! Save us farmers!" Goesan, where the cooperative was founded in 1986, is still the center of the cooperative. Around 240 companies work there for Hansalim. In 1989 the statutes were laid down in a manifesto. The two most important are: solidarity between town and country and protection of the environment. In the following years, the cooperative grew rapidly, especially on the consumer side: in 1995 there were 10,000, in 2009*

already 200,000, in 2015 almost 500,000, currently there are 644,000. 2,400 farms throughout Korea produce for them. In 2015, Hansalim opened its own food safety analysis center. Hansalim is also committed to healthy eating and social issues abroad (e.g. with aid deliveries to North Korea, Haiti, Afghanistan and Nepal).

### ***Rapid development - the economy of South Korea***

Until the 1960s, South Korea was one of the poorest countries in the world. Almost 70 percent of the people lived from agriculture and animal husbandry. Then came an astonishing change: South Korea first developed into an emerging country, then into a highly regarded "tiger state" and finally into a modern industrial nation. The development was promoted from 1963 by the dictatorial ruling President Park Chung Hee. State support for certain sectors of the economy gave rise to the so-called Jaebol, large company conglomerates such as Hyundai, Kia, LG and Samsung, often run by family clans. To ensure that the economy continues to grow, the state invests in the development of a modern infrastructure. The former recipient country South Korea has been one of the donor countries in the Organization for Economic Cooperation and Development (OECD) since 2010. Today, agriculture hardly plays an economic role. Its share of the gross national product is less than two percent, only just under five percent of the people work in agriculture.