

## ABSTRACT

**KIM, S. An analysis and evaluation of the administrative budget statement between 1984 and 1995 for the South Korean Ministry of Culture and Sports.** MS in Exercise and Sport Science-Sport Administration, December 1997, 70pp. (J. Meyer).

The purpose of this study was to determine whether the Korean government and Ministry of Culture and Sports (MCS) made efforts to carry out their goals and policies to adequately fund "sports for all" through analyzing the MCS budget statements between 1984 and 1995. The MCS budget statements were analyzed in accordance with the organizational, functional, and economic character budget classifications. Through the organizational classification, the average percent allocated to the MCS of the entire Korean government budget allocation between 1984 and 1995 was .22%. In particular, since 1989, the percentage of the MCS budget has decreased on the basis of the organizational classification. Although "sports for all", which means recreational sports for all Koreans, was instituted in 1988, most items in the functional classification were affected by initiating the Korean Sports Council for elite sports. Through the economic character classification, the Sport Encouragement was the only item allocated for "sports for all". Also, while the average percent for elite sports was 44.42% between 1984 and 1995, the average percent for "sports for all" was 2.30% out of the total MCS budget. Therefore, it could be concluded that the Korean government and MCS have continued to focus only on elite sports from 1984 to 1995.

**AN ANALYSIS AND EVALUATION OF THE ADMINISTRATIVE BUDGET  
STATEMENT BETWEEN 1984 AND 1995 FOR THE SOUTH  
KOREAN MINISTRY OF CULTURE AND SPORTS**

**A THESIS PRESENTED  
TO  
THE GRADUATE FACULTY  
UNIVERSITY OF WISCONSIN-LA CROSSE**

**IN PARTIAL FULFILLMENT  
OF THE REQUIREMENTS FOR THE  
MASTER OF SCIENCE DEGREE**

**BY  
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DECEMBER 1997**

COLLEGE OF HEALTH, PHYSICAL EDUCATION, AND RECREATION

UNIVERSITY OF WISCONSIN-LA CROSSE


THESIS FINAL ORAL DEFENSE FORM


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Master of Science in Exercise and Sport Science-Sport Administration

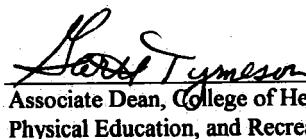
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## ACKNOWLEDGMENTS

I wish to express my gratitude to Dr. Jane Meyer in the Department of Exercise and Sport Science-Sport Administration Program for her kindness and patience in directing this project. Also, special thanks to Dr. Sandy Price and Dr. Donna Anderson for serving as committee members for this paper.

I would also like to acknowledge my friend, Junwon Lee, who sent me resources related to the budget statements in the South Korean government from South Korea.

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## CHAPTER I

### INTRODUCTION

#### Background

South Korea, hereafter referred to as Korea, was an undeveloped country until the 1960's due to the effects of the Korean War (1950 - 1953). Near the end of the 1960's the Korean government became concerned about its economy and experienced rapid economic development until the early 1970's. As a result of these efforts, the Gross National Product (GNP) increased. During the 1970's, the Korean government promoted elite sports, which were established primarily to spread the awareness of its own existence around the world. As the standard of living was becoming higher, people were given much more time to invest in their health and leisure (Lee, 1992a). In addition, the interest in sport activities increased remarkably after the 1986 Asian and 1988 Olympic games which were successfully held in Seoul, Korea. Due to the increase of people's awareness about sport activities, the Korean government promulgated a sport policy. This policy changed from an emphasis on elite sports to "sports for all" which emphasized recreational sports for all Koreans (Kim, 1995).

The law entitled Encouragement of Sport Activities for People (1982) was instituted by the Korean government. This law outlined the role of sport in Korea in the following manner: 1) the purpose was to build up the health and wholesome spirit of people and further spread the name of Korea to the world by promoting sport activities; and 2) sport

was defined to cultivate the healthy body and wholesome mind through a variety of sport performances such as competitions or recreation. Not only did the clauses define the purpose of sports, but they also outlined the philosophy of the Korean government by indicating that both sports competitions and recreation for people are important.

Additionally, based on the Korean government's principles, all people were encouraged to participate in sports rather than just the elite athletes. However, at the same time, the elite sports could not be ignored because the international competitive perspective for Korea was also very important. Therefore, the Korean government was faced with the situation to make strides to balance the development of the elite sports and "sports for all".

#### History of Sport Administration in Korea

Korea had been governed by Japan from 1909 to August 15, 1945. After its release from Japan, Korea established two sections that were related to sports administration: School Sports and General Sports in 1946 (Lee, 1992a). These sections were administered by the Education and Management Bureau under the Ministry of Education. At that time, these sections did not serve any significant function in the organizational structure of the Ministry of Education because Korea was going through difficulties with its economy. Thus, the Korean government did not allocate any budget dollars for sports.

On July 17, 1948, the Central Education and Administration Structure of the Korean government was established by the Korean Constitution. Since that time, the Culture Bureau has managed sport administration. Sport administration was controlled under both the General and Special Sections as outlined by the constitution. At that time,

these sections were nominally funded and it was impossible for this structure to administer all affairs related to sports (Lee, 1992b).

As previously mentioned, the Korean government ultimately recognized the importance of sports during the 1960's. The sport administration department which existed as a section under the Culture Bureau was promoted to the same level of the Bureau in 1961 (Lee, 1992b). The following year, a law entitled the Encouragement of Sport Activities for People was established and promulgated.

During the 1970's, the Korean government focused only on its economic development. The sport administration department was devoted solely to elite sports. After that time, the government experienced remarkable economic development, and thus, had the opportunity to hold the 1986 Asian and 1988 Olympic Games in Seoul, Korea (Lee, 1992b).

On March 20, 1982, the Ministry of Sports was founded to support and prepare for the Asian and Olympic Games. The Ministry of Sports was responsible for the affairs of Korean youth and thus the name was changed to the Ministry of Sports for the Youth on December 27, 1990. Thereafter, the Ministry of Sports for the Youth and the Ministry of Culture were combined, and the Ministry of Culture and Sports (MCS) was initiated in 1992 (Lee, 1992a).

#### Responsibility of the Ministry of Culture and Sports

The MCS was the largest organization which controlled all sports related issues under the Korean government. In order to better understand sport administration under the Korean government, an understanding of the organizational structure and

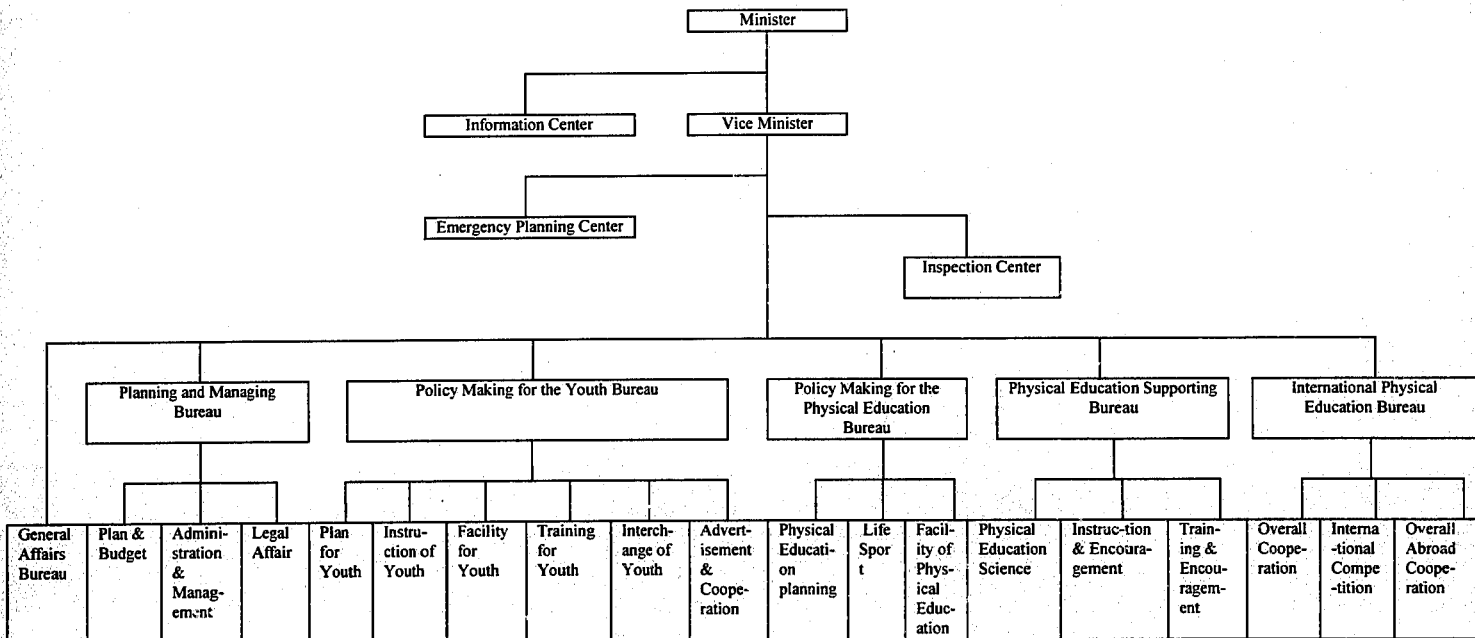
responsibilities of the MCS was addressed. The organizational structure of the MCS is presented in Figure 1. The responsibilities of each department of the MCS as outlined in Figure 1 are listed in Table 1.

### Need for the Study

The MCS is an organization under the Korean government and the most central organization responsible for Korean sport affairs. The MCS was given more responsibilities in Korean sport administration because the Korean government changed its focus from elite sports to "sports for all" (Kim, 1995). This change was done in accordance with the increasing awareness of Koreans regarding sport activity participation after the 1986 Asian and 1988 Seoul Olympic Games. Funds are needed to effectively enforce sport policies (Kang & Kang, 1994). Thus, in order for the MCS to enforce sport policies such as "sports for all", the appropriate budget allocation is definitely required. However, the Korean government currently does not have a systematic plan to manage its finances (Kang & Kang, 1994). More specifically, if the Korean government formulated policy to administer certain programs, the very important next step would be to fund programs according to their specified priorities.

### Purpose of the Study

The purpose of this study was to determine whether the Korean government and MCS have made efforts to carry out their goals and policies to adequately fund "sports for all" through analyzing the MCS budget statements between 1984 and 1995.



**Figure 1.** The Organizational Structure of the Ministry of Culture and Sports: Adapted and translated from The Office Regulation Book about the Ministry of Culture and Sports by the Ministry of Culture and Sports (1994, p. 3).

Table 1. Job Descriptions of the Bureaus and Departments

| DENOMINATION                             | JOB DESCRIPTION   |
|--|---|
| The Information Center                   | <ul style="list-style-type: none"> <li>• Affairs related to official reports</li> </ul>   |
| The Inspection Center                    | <ul style="list-style-type: none"> <li>• Audits departments under the MCS</li> <li>• Keeps results from inspection</li> <li>• Inspects and keeps petitions</li> </ul>   |
| The Emergency Planning Center            | <ul style="list-style-type: none"> <li>• Emergency preparations</li> <li>• Practices emergency training</li> <li>• Controls reserved defense (military)</li> </ul>  |
| The General Affairs Bureau               | <ul style="list-style-type: none"> <li>• Personnel management</li> <li>• Keeps official statement</li> <li>• Budgeting</li> <li>• Purchases and controls equipment</li> </ul>   |
| Planning and Managing Bureau             |   |
| Plan and Budget Department               | <ul style="list-style-type: none"> <li>• Policy making and revision</li> <li>• Budgeting and Execution</li> </ul>   |
| Administration and Management Department | <ul style="list-style-type: none"> <li>• Analysis and evaluation of administrative progress</li> <li>• Supervision of personnel</li> <li>• Plans administrative policies</li> </ul>   |
| Legal Affairs Department                 | <ul style="list-style-type: none"> <li>• Interpretation and evaluation of new ordinance</li> <li>• Performs lawsuits</li> <li>• Publishes statute book</li> </ul>   |
| Policy Making for Youth Bureau           |   |
| Plan for Youth Department                | <ul style="list-style-type: none"> <li>• Establishes short and long term plans about policy for the youth</li> <li>• Plans to encourage youth</li> <li>• Supervision of Korea Youth Study Institute</li> <li>• Research of status of youth</li> </ul> |
| Instruction of the Youth Department      | <ul style="list-style-type: none"> <li>• Permission of association for youth</li> <li>• Promotion of instructors for youth</li> <li>• Manages committee to instruct youth</li> <li>• Events of the month for Youth</li> </ul>                         |
| Facility for Youth Department            | <ul style="list-style-type: none"> <li>• Basic plan of facility for youth</li> <li>• Equips and manages facility</li> </ul>   |

|  |   |
|--|---|
| Training for<br>Youth Department                                   | <ul style="list-style-type: none"> <li>• Awards for people who work for youth</li> <li>• Counseling youth</li> <li>• Supports youth with financial difficulty</li> </ul> <ul style="list-style-type: none"> <li>• Plans and develops programs for youth training</li> <li>• Encourages youth to build their health and mind through recreation instruction</li> <li>• Awards for youth who contribute to sports</li> <li>• Counseling youth</li> <li>• Supports poor youth</li> </ul> |
| Interchange of<br>Youth Department                                 | <ul style="list-style-type: none"> <li>• Connection of international organizations or associations relating to youth</li> <li>• Develops programs for international relationship of youth</li> <li>• Holds international events relating to youth</li> </ul>  |
| Advertisement and<br>Cooperation Department                        | <ul style="list-style-type: none"> <li>• Advertisement for encouragement of youth</li> <li>• Supports of audio and visual equipment</li> <li>• Publishes youth written by youth</li> <li>• Develops environment for youth</li> </ul>  |
| <hr/> <b>Policy Making for the Physical Education Bureau</b> <hr/> |   |
| Physical Education<br>Planning Department                          | <ul style="list-style-type: none"> <li>• Establishes short and long term plans for encouragement of physical education</li> <li>• Discusses and controls affairs related to encouragement of physical education</li> <li>• Plans to build people's health</li> <li>• Supervision of Encouragement of National Physical Education Committee (ENPEC) and Encouragement of District Physical Education Committee (EDPEC)</li> </ul>  |
| Life Sports Department   | <ul style="list-style-type: none"> <li>• Establishes plans for encouragement of life sports</li> <li>• Encourages and controls schools, workplace, and district sports</li> <li>• Activates and controls recreation programs</li> <li>• Management and supervision of association related to the life sports</li> <li>• Development and popularization of programs for life sports</li> </ul>   |

**Facilities of Physical  
Education Department**

- Supports interscholastic and intercollegiate competitions
  - Decides criterion of physical ability test of students
  - Cultivates life sport instructors
  - Supervises and manages the Korean Horse Racing Affairs Association
- 
- Establishes basic plans to distribute and manage sport facilities
  - Establishes criterion for facility construction
  - Supports and manages facilities for public schools
  - Supports and manages sport facilities for nonprofit organizations
  - Establishes, manages and supervises associations related to sport facility

**Physical Education Supporting Bureau**

**Physical Education  
Science Department**

- Study and development of sport science
- Manages and supervises sport science institutions
- Awards for people who contribute to the sport competitions
- Cultivates sport schools and coaches
- Encourages to product and import sport instrument

**Instruction and  
Encouragement Department**

- Holds, manages and supervises national competitions
- Manages Korea Sports Council and Association for competitions
- Registers athletes and competitions

**Training and  
Encouragement Department**

- Establishes plan to improve athletic performances and competitions
- Selects and trains Korea National and Korean Youth Teams
- Establishes criterion for selecting athletes for Korea Teams
- Manages and supports athletes in schools
- Supports training programs abroad
- Manages athlete villages

---

### International Physical Education Bureau

#### Overall Cooperation Department

- Manages the National Sports Encouragement Public Corporation
- Prepares and manages fund for national sports encouragement
- Supervises park and facilities for the Olympics
- Supports events related to Olympic games

#### International Competition Department

- Travel of the Korea National Team for international competitions
- Deals with exchange competitions between other countries and Korea

#### Overall Abroad Cooperation Department

- Establishes plan to connect between countries
  - Gathers and analyzes information related to international sports
  - Deals with matters related to international associations and conferences
  - Supports the Korea Olympic Committee and the World TaeKwunDo Association
  - Supports sport events abroad
- 

Note. Adapted from the office regulation book about the Ministry of Culture and Sports by the Ministry of Culture and Sports (1994, p. 11-17 and 23-27).

### Hypothesis

The Korean government and MCS have not made efforts to accomplish their sport policy, especially "sports for all".

### Assumptions

This study had the following assumptions:

1. The MCS served as the most important organization for sports in Korea.
2. The budget reflected the purposes and philosophy of the MCS.

### Delimitations/Limitations

The following delimitations/limitations were recognized:

1. The study focused on the MCS as an organization under the Korean government.
2. The focus of the study was limited to the budget statements from the MCS.
3. In the budget, expenditures were focused upon rather than revenues because most revenues were dependent upon taxes (i.e. , internal, tariffs, and military defense dollars).

### Contribution of this Study to the Literature

There were many studies related to sport administration in Korea. Most of them mainly dealt with educational and historical aspects of Korean sport administration, and compared it with sport administration of other countries. Therefore, it can be said that this study is unique in that the analysis of the MCS was dependent only upon the budget statements between 1984 and 1995.

### Summary

Philosophically, the main focus of the Korean government has changed from elite sport to "sports for all" since the 1986 Asian games and 1988 Olympic games. This chapter examined the reasons why this main focus about sports in the Korean government changed. In order to help understand Korean sport administration, its history was presented. The MCS's organizational structure was introduced, and its responsibilities described. This was done to demonstrate the important role the MCS played in orchestrating sport activities in Korea.

## CHAPTER II

### REVIEW OF RELATED LITERATURE

#### Introduction

The MCS invested in various businesses related to sports to enhance the welfare of people and spread the name of Korea throughout world (Kang & Kang, 1994). It can be assumed that the MCS budget statement described its plans and policies in terms of numbers. This chapter presented the definitions and processes of the Korean budget and policy and the relationship between them.

#### Budget

The Korean government's plans in the form of numbers was annually presented by the budget statement. In this part, the concept and scopes of budgets were explained. Only the budget preparation and legislative authorization stages were specifically studied because these two stages are the actual procedures that determine the budget in Korea (An, 1985).

#### Definition and Concept of Budget

The term "budget" has been defined by many scholars. Finney (1994) explained, "a budget is the numerical expression of the plans for the next year, and the only instrument that can give reality to objectives, strategies, priorities, and plans." Frost, Lockhart, and Marshall (1988) wrote that most administrative decisions were related to finances, and the budget was the summarization of such decisions and the allocation of resources to

fulfill the goals of the organization. In the case of the Korean government, budget means the numerical and expected plan to balance the revenues and expenditures of the Korean government for a fixed period, specifically between January 1 and December 31 (An, 1985).

Based on such definitions, the term of budgeting was defined as the whole process of designing, implementing and operating the budget, especially the short term budget (Cowe 1988). Dun & Bradstreet Business Education Services (1993) provided that budgeting was the process of allocating resources to every part of the business such as working capital, human resources, manufacturing facilities, mergers and acquisitions, expansion, and production. In summary, this researcher adopted the following definition for a budget: the formal and quantitative expression of the plans and objectives of an organization during a specific period of time, usually one year. Budgeting was defined as all of the processes of preparing a budget.

The concept of budget has gradually changed. In the past, it emphasized the fiscal and political aspects, but in the present the budget has emphasized decision-making related to the safe development of a country and how to allocate public finances (Jung, 1986). According to this concept, the fiscal aspect means the balance of revenues and expenditures in the government. The political aspects indicate that the budget is used as a means by which the Congress controls the Executive branch of government (Jung, 1986). In the Korean government, the concept of budget has been changed from the means for control of the Executive branch to that of managing the government and planning policies

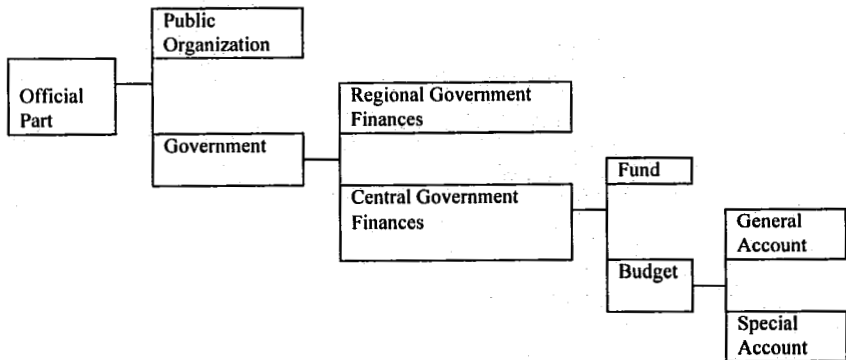
for people (An, 1985). In other words, while in the past, budget emphasized the form and structure, in the present, budget has highlighted the policy making process (An, 1985).

Therefore, the budget allotment of public finances is important for safe economic development, as well as legal and fiscal control of the government.

### Areas of Budget

The general account budget is what Koreans recognize as the government budget.

This section specifically described the areas of the budget in Korea (see Figure 2).



**Figure 2.** The Official Part and Budget: Adapted and translated from The budget statement of the MCS by the Economic Planning Board (Ministry of Culture and Sport, 1991).

One needs to know which part of the budget in Korea is related to the MCS's budget.

The economic activities in Korea are divided into two parts: official and unofficial. The relationship of the official part and the budget is outlined in Figure 2. The official part was limited to public organizations and government.

The MCS must manage its finances to perform certain roles and functions as dictated by the Korean government. Finances are divided into regional and central government finances. The central government finances are further divided into fund and budget sections (MCS, 1991; see Figure 2).

Last, the budget section of the central government is broken down into the general account and special account. The general account deals specifically with all revenue from taxes and main businesses for finances in Korea (MCS, 1991; see Figure 2). The general account is the crucial part of the budget in this study regarding budgetary records because this part includes the MCS budget (MCS, 1991).

The MCS's general account budget governs gross revenues and expenditures from activities of the Korean government except for the special account budget. Revenues of the general account budget come not only from the internal, tariffs, and military defense taxes but also from loans, sales of goods, and labor exports. The expenditures of the general account budget are allocated for development of the Korean government (MCS, 1991). The MCS's special account budget includes capital allocations that organizations under the Korean government can use at their own discretion. Therefore, if this budget was allowed to increase, the Korean government would go through difficulty trying to control each organization's budget due to the fact that it is a discretionary account. In order to control its overall budget, the Korean government could only use the general account budget. However, the government guidelines require them to provide each

organization with a special account budget and flexibility within each organization for special purposes.

### Classification of Budget

Budget classification is important not only because it helps to easily develop the government's business plans and the legislative authorization process of Congress, but it also helps to clearly determine the execution of the budget and responsible spending of the allocation (MCS, 1991). Therefore, how the budget is classified by the government is very important.

An (1985) insisted that the budget can be justified as seven classifications: 1) Organizational, 2) Functional, 3) Economic Character, 4) Objects of Expenditures, 5) Performance, 6) Program, and 7) Activity. In addition, the budget classification of the Korean government has followed the organizational, functional, and economic character classifications (An, 1985). Besides these classifications, in order to effectively control the expenditures, the Korean government has separately classified expenditures of each organization into two types of expenditures: basic and business (MCS, 1991).

### Three Types of Budget Classifications Used in Korea

#### 1) Organizational Classification

According to the 20<sup>th</sup> clause in the Law of Budget and Account, this classification is made in accordance with the central government's organizations in the Korean government. Therefore, this classification is the largest unit used within these

classifications. Table 2 illustrates the organizational classification in the Korean government and the areas covered under this classification.

**Table 2. The Organizational Classification in the Korean Government**

| NUMBER | THE NAMES OF ORGANIZATIONS                          | NUMBER | THE NAMES OF ORGANIZATIONS            |
|--------|---|--------|---------------------------------------|
| 01     | Office of the President                             | R      |                                       |
| 02     | Office of the Presidential Security                 | 26     | Ministry of Construction              |
| 03     | National Security Conference                        | 27     | Ministry of Health and Social Affairs |
| 04     |   | 28     | Ministry of Labor                     |
| 05     | Agency for National Security Planning               | 29     | Ministry of Transportation            |
| 06     | Board of Audit and Inspection                       | 30     | Ministry of Communication             |
| 07     | Congress  | 31     | Ministry of Government Administration |
| 08     | Supreme Court                                       | 32     | Ministry of Science and Technology    |
| 09     | Constitution Court                                  | 33     | Ministry of Environment               |
| 10     | Central Election Management Committee               | 34     | Ministry of Public Information        |
| 11     | Promotion of Democracy Committee                    | 35     | Office of Legislation                 |
| 12     | Office of the Prime Minister                        | 36     | Patriots and Veterans Affairs Agency  |
| 13     | Economic Planning Board                             | 37     | Office of Supply                      |
| 14     | Board of National Unification                       | 38     | Office of National Taxation           |
| 15     | Ministry of Foreign Affairs                         | 39     | Office of Customs Administration      |
| 16     | Ministry of Internal Affairs                        | 40     | Office of Military                    |
| 17     | Ministry of Finances                                | 41     | Office of Rural Development           |
| 18     | Ministry of Justice                                 | 42     | Office of Forestry                    |
| 19     | Ministry of National Defense                        | 43     | National Fisheries Administration     |
| 20     | Ministry of Education                               | 44     | Industrial Advancement Administration |
| 21     | Ministry of Culture                                 | 45     | Office of Patent Administration       |
| 22     | Ministry of Sports for Youth                        | 46     | Office of Railroads                   |
| 23     | Ministry of Agriculture, Forestry & Marine Products | 47     | Korean Maritime & Port Administration |
| 24     | Ministry of Trade and Industry                      | 48     | Office of Statistics                  |
| 25     | Ministry of Energy Resources                        | 49     | Office of Weather Condition           |

**Note.** Adapted and translated from the budget statement of the MCS by the Economic Planning Board (MCS, 1991).

## 2) Functional Classification

This method classifies the budget in accordance with the main functions of the government. This classification has an advantage because the government can easily establish business plans, and the legislature can help with the legislative authorization process of the budget. However, a weak point of this classification is that the actual responsibilities of each item can be duplicated and is ambiguous (An, 1985).

The functional classification of the Korean government is divided into six parts by an expense code system: General Administration (100), National Defense (200), Social Development (300), Economic Development (400), Local Finance Subsidy (500), and Redemption of a Debt (600). Also, the budget statements of the MCS are included in Social Development (300). Each part is specifically divided again. The only major expense section that is broken down is the Social Development Expenses because it is the only section that involves sport activities (Tab. 3). As can be seen in Table 3, there are numerous activities in the functional classification, however the only subsection related to sport under Social Development Expenses is 315 which is Social Education and Sports.

Table 3. The Functional Classification of the Korean Government

| CODE | SORTS OF FUNCTION                      |
|------|--|
| 100  | General Administration                 |
| 200  | National Defense                       |
| 300  | Social Development Expenses            |
| 310  | Education & Culture                    |
| 315  | Social Education & Sports              |
| 320  | Labor Development & Population Control |
| 330  | Environment & Sanitary Improvement     |
| 340  | Social Security                        |
| 350  | House & Local Development              |
| 400  | Economic Development Expenses          |
| 500  | Local Finance Subsidy                  |
| 600  | Redemption of a Debt                   |

Note. Adapted and translated from the budget statement of the MCS by the EPB (1991).

### 3) Economic Character Classification

This is classified by item usage and is related to how expenditures of the Korean

government are spent. It is also very specific in the break down of various expenditures of the budget (An, 1985). This classification is divided into eight parts according to the coding system, and the subsection of this classification is divided into two sections: basic and business expenditures (see Table 4).

The basic expenditure is involved in the personnel expenses, standard expenses, and government offices' operational expenses. Each of these expenses are reclassified by the

Table 4. The Economic Character Classification of the Korean Government

| CODE & MAIN SECTION                 | SUBSECTION  |
|-------------------------------------|---|
| Personnel Expenses (100)            | allowance, reward and bonus                         |
| Object Expenses (200)               | object and traveling expenses, and expediency fund  |
| Ordinary Transfer Expenses (300)    | public ordinary transfer expenses and compensation  |
| Capital Expenditure (400)           | facility and real estate purchase expenses          |
| Capital Preservation Expenses (600) | internal loan redemption and bank loan redemption   |
| Expenses in Government (700)        | removed fund and redemption of sublease loan        |
| Others (800)                        | returning fund and fund for each government offices |
| Reserved Fund (900)                 | reserved fund                                       |

Note. Adapted and translated from the budget statement of the MCS by the EPB (1991).

following code system. Personnel expenses are divided into salary (101), reward (102), fixed pension given to public personnel (105), and other salary (103) given to quasi-public personnel in special fields. Standard expenses legally maintain a fixed number of personnel and facilities. Thus, it is difficult for such expenses to be changed. The government office operational expenses which are referred to as administrative expenses

include all expenses except for personnel, standard, and business expenses. The expense for each government office (821) is included.

In order to accomplish the policies of the government, rational investment is compulsory because finances of the government are limited. Thus, the business expenditure for government businesses are allocated according to the stated priority. The expenses are divided into main (210) and other businesses (240). The main businesses in the MCS involve Recruit & Training of New Athletes (211), World-Korea Sport Competition (212), School & Life Sports (214), and so on. Other businesses include Social Sport Encouragement (242), Sport Facility Management (243), Supply of Sport Skills for Sport Science (241), and so on.

### Budget Process

The budget process is a formal procedure to establish the budget, spend in accordance with guidelines of the budget, and audit (Lee, 1992a). Ott and Ott (1965) and An (1985) divided the budget process into four stages: 1) Executive preparation and submission; 2) Legislative authorization and appropriation; 3) Execution; and 4) Audit (see Table 5). In this study, the budget preparation and legislative authorization were specifically described because these stages directly affect the Korean budget.

#### 1. Executive Preparation and Submission in Korea

The budget statement of the Korean government is submitted to the Congress 90 days before it is to be passed. The executive preparation procedure follows (The Ministry of Justice, 20-1 & 20-2):

- a. Presidents of every organization submit the reports about new businesses or main governmental businesses to the Economic Planning Minister.
- b. Reports are deliberated upon in the National Council.
- c. Reports are approved by the national President.
- d. Approved reports are directed to the presidents of all central governmental organizations.
- e. Every department in these organizations prepares a required budget.
- f. Required budget reports are submitted and collected by the Economic Planning Minister.
- g. Consideration of the collected reports in the National Council.
- n. Approval of the national President again.
- i. The reports are sent to the Congress.

Table 5. Description of Budget Process at the Governmental Level

| FOUR STAGES                                 | RESPONSIBILITY  |
|---|---|
| Executive Preparation and Submission        | Annual process in which the Executive Branch of the government prepares both an administrative and cash budget, and submits to Congress by the President with the Budget Message. |
| Legislative Authorization and Appropriation | Distinctive feature of the congressional phase of the budget process in the government. Congress confirms the budget made by the Executive.                                       |
| Execution                                   | Determines how the obligational authority granted by Congress to an agency or department is converted into cash expenditures.   |
| Audit                                       | Objective, independent, informed, and constructive appraisal of the effectiveness of administrators in their achievement of the budgetary goals.                                  |

Note. From (Ott & Ott, 1965). p. 23-31.

## 2. Legislative Authorization and Appropriation in South Korea

The reports are sent to Congress for examination. Congress approves all final expenditures in two ways: 1) authorization which is the approval of functions for which

expenditures are to be made; and 2) appropriation which is provided by Congress legislation that permits a government agency or department to commit or obligate the government to approve certain expenditures (Ott & Ott, 1965). In Korea, the legislative authorization process is performed accordingly (An, 1985):

- a. National President performs the policy speech in the Regular Session of the National Assembly for considering the budget reports.
- b. Budget reports come to the Standing Committee.
- c. After the Standing Committee considers and corrects the budget reports, the reports are sent to the special budget settlement committee.
- d. Special budget settlement committee directs subcommittee to correct the reports.
- e. Reports are submitted to the general meeting of the National Assembly, and then the National Assembly passes the budgetary reports.

### Public Policy

In order to analyze MCS policy and relate it to the budget statements, the researcher analyzed the policy-making process with regards to policy-making, policy decisions, and evaluation of policy. Most importantly, policy-making and policy decisions were specifically studied because public policy should mirror the goals or purposes of organizations, communities, or countries (Bucher & Krotee, 1993).

### Concept of Public Policy

Many social scientists are interested in the true meaning of policies because policies influence people's lives. Lasswell and Kaplan (1965) defined it as "a projected program of goal values and practices". Anderson (1975) defined public policy as "the relationship of a government unit to its environment and is whatever governments choose to do or not to do." Additionally, Friedrich (1963) explained that "policy is proposed to utilize and

overcome in an effort to reach a goal or realize an objective or a purpose.” Practically, policy is the guide for an administrator’s execution for an organization, and focuses on suggesting the basic direction rather than giving the specific methods (Kang & Kang, 1994).

These concepts can be summarized in four points: 1) public policy has particular objectives, and the objectives reflect political, economic, cultural, and social characteristics of a community; 2) policy has reasonable and actual methods to accomplish the objectives; 3) public policy is involved in publicity and the future promise of a public organization; and 4) it is based on the law and has authority (An, 1985). Therefore, public policy developed by the Korean government can be used as an important tool to assist various organizations in the government structure.

### Policy-Making

Lindblom (1968) stated that “public policies are made by one person or some persons for the society, and the rest of the population have to follow the decisions.” Therefore, people must completely understand the policy-making task or function. In the same line of thought, Hau (1982) defined this term in two ways: instrumental decision, and value and judgmental decision. Instrumental decision refers to policy-making as tools to attain goals or objectives. The value and judgmental decision is focused on the value of decisions from policy makers rather than on the expected results from the decisions (Hau, 1992).

Anderson (1975) suggested that all people should be given opportunities to participate in policy-making in a democratic country. Anderson (1975) classified people as the official policy-makers and the unofficial policy-makers. The official policy-makers specifically included the president, congress, legislature, executive, and judicial. The unofficial policy-makers are the people who are not included in the official policy-makers such as interest groups, political parties, and individual citizens (Anderson, 1975). Therefore, sound policies can be referred to as the results of careful thoughts of official and unofficial policy-makers.

#### Policy-Making Process

Lasswell and Kaplan (1965) described the policy-making process as “ the formulation, promulgation, and application of identifications, demands, and expectations concerning the future interpersonal relations of the self.” Dror (1968) wrote that public policy-making was a very complicated and dynamic process.

When the actual policy-making process is considered, several scholars suggested: 1) the procedures of the policy-making included four steps: a) preliminary appraisal of or inquiry into the problem; b) identification of goals or objectives; c) canvassing of possible policies to achieve the goals; and d) choice or decision (Lindblom, 1968) or 2) a) problem formation; b) formulation; c) adoption; d) implementation; and e) evaluation process (Anderson, 1975).

As these kinds of processes were reviewed, An (1985) modified it into five procedures: 1) policy-makers identify the problem, which is related to the reason why the

policy should be needed and made; 2) policy-makers decide the objectives to solve the problem, which is related to the methods used to accomplish the complete results, and the decided objectives should not be overlapped with other objectives; 3) policy-makers should collect and analyze information which must be current, accurate, and practical, because the uncertainty of the future should be solved through practical information; 4) prepare and evaluate a policy on the basis of the information; and 5) decide whether to adopt the proposed policy.

#### Relationship of Budget and Policy-Making Process

As previously defined, policy is established through consecutive procedures: formulation, promulgation, application, and evaluation, and the budget is the monetary expression of the government's policies (Jung, 1986). Therefore, in some cases, the budgeting and policy-making processes are duplicated, and that is the reason why the budget and policy-making processes are addressed together in this study.

The stage 'formulation' of policy-making process can be described as the executive preparation and legislative authorization of the budget process in Korea. The promulgation and application steps are similar to the execution step of the Korean budget process. Finally, the stage of evaluation is matched with the audit process in the Korean budget. Therefore, it can be said that the budget process is one of the political affairs, as well as the policy-making process.

#### Summary

In this chapter, the definitions of budget and policy were presented according to

several scholars' opinions. The manner in which budgets are classified is important because it helps to clearly define the government's business plans, Congress's legislative authorization process, the execution of budget, and allotment of the budget. Among several types of budget, general and special account budgets were specifically introduced because the Korean government and the MCS used this type. This chapter outlined the budget process into four stages: preparation, legislative authorization, execution, and audit (Ott & Ott, 1965). The budget preparation and legislative authorization stages are used to develop the actual budget statements and the execution and audit stages are only used to evaluate once the budget has been developed.

The definition of policy was described on the basis of several scholars' thoughts. The concepts and processes of policy making were also studied: establishment, decision, performance, and evaluation processes, and more specifically, the establishment and decision of policy procedures. Finally, the literature review revealed that the process of budget making was closely related to that of public policy making.

## CHAPTER III

### METHOD

#### Introduction

The purpose of this study was to research the budget statements of the Korean MCS between 1984 and 1995. The MCS is responsible for administration of sport in Korea. Accordingly, the major information for this study was the budget statement of the MCS. The budget statements between 1994 and 1995 were obtained from the MCS, and those between 1984 and 1993 were obtained from the Korean Economic Planning Board (EPB).

The budget statements were analyzed in three different manners to test the hypothesis that the Korean government and MCS have not made efforts to accomplish their sport policy.

#### First Manner Using the Organizational Classification

Based on the organizational classification (see Table 6), the budget portion in the MCS's budget statements was used to determine how much money the Korean government actually provided the MCS on an annual basis from 1984 to 1995. This allocation was determined by dividing the MCS allocation by the Korean government allocation and multiplying it by 100. This was done for each year. The Korean government's and MCS's total budget statements between 1984 and 1995 were obtained from the MCS and Economic Planning Board for the same time period. The same procedure was used for these budget statements.

These budget statements were also used to calculate an increase or decrease in allocations in the budget. The equation used was  $[(b-a) / a * 100]$  (MCS, 1994). For example, the allocation from 1984 was \$41,477,028 (a), and the 1985 allocation was \$55,545,143 (b). Therefore, the percent increase was 33.9%.

**Table 6. Structure of the MCS's Budget Statements**

|   |
|---|
| Education and Culture                                       |
| Social Education and Sports (Organizational Classification) |
| Sport Administration (Functional Classification)            |
| Institutional Operation                                     |
| Policy Control  |
| Sport Encouragement   |
| Sport Science   |
| International Sports  |
| Rural Sport Facility  |
| Korean Sports Council                                       |
| Encouragement of Youth Sports (Functional)                  |
| Youth Support   |
| Korean Youth Institution                                    |

Note. Adapted and translated from the budget statement of the MCS by the EPB (1993). Basic and business expenses were involved in each item of the functional classification.

#### Second Manner Using the Functional Classification

The second manner used was to compare the amounts of money allocated for elite sports and "sports for all" to determine its emphasis. In order to achieve this purpose, the functional classification in the MCS's budget statements was used (see Table 6). The information was obtained from the MCS and Economic Planning Board. This purpose was determined by the method in which the total budget allocations of the nine items under the functional classification (see Table 6) between 1984 and 1995 were shown, and the annual allocation of each item was divided by the total MCS budget allocation to

determine the percentage portion.

### Third Manner Using the Economic Character Classification

The last manner used was to examine specific line items in the MCS budget to determine specific allocations and relate it to MCS policy. This used two types of expenditures: basic and business. These expenditures were part of each item listed in the functional classification (see Table 6). The information for this purpose was also obtained from the MCS and Economic Planning Board.

## CHAPTER IV

### RESULTS OF THE STUDY

#### Introduction

Prior to 1982, the administration of sport activities was very unstable in Korea. However, when the Ministry of Sports was founded in March, 1982, the organization received the opportunity to operate its budget independently from the Korean government budget (Lee, 1992a). Since that time, the Ministry of Sports has changed to the Ministry of Sports for the Youth and most recently to the Ministry of Culture and Sports (MCS).

Even though the name of the organization changed, the budget items remained similar every year. After 1988, one of the main objectives of the Korean government was to develop a new policy regarding "sports for all" (Kim, 1995). The development of this policy forced a change within the MCS. Therefore, because of a change in policy, it became necessary to analyze and evaluate whether the MCS has been properly administered to accomplish its stated purposes. The following three manners were used in this study to analyze the budget of the MCS on the basis of the organizational, functional, and economic character classifications of the MCS (see Table 7).

#### First Manner Using the Organizational Classification

The first manner used was to determine the extent to which the Korean government dealt with the MCS in the budget process within the entire government budget based on the organizational classification of the MCS (see Table 7). In order to determine this

Table 7. The Budget Classification of the MCS

| Organizational Classification  | Functional Classification  | Economic Character Classification      |
|--------------------------------|--|--|
| Ministry of Culture and Sports | Social Education and Sports<br>Institutional Operation<br>Policy Control<br>Sport Encouragement<br>Sport Science<br>International Sports<br>Rural Sport Facility<br>Korean Sports Council<br><br>Youth Encouragement Administration<br>Youth Support<br>Korean Youth Institution | Basic Expenditure<br>Business Expenses |

Note. Adapted and translated from the budget statement of the MCS by the Economic Planning Board (MCS, 1992).

manner, the entire allocation of the Korean government was compared to the amount allocated to the MCS between 1984 and 1995, and the annual percent of increase or decrease was calculated (see Table 8). Secondly, Table 8 shows what percent the MCS budget was allocated in comparison to the entire Korean government budget allocation between 1984 and 1995. The equation  $(B/A*100)$  was used to calculate this percentage.

In 1984, the rate of increase in the budget allocation was the highest, and the second highest was the 1985 budget allocation. It could be due to Korea's commitment to participate in the 1986 Asian and 1988 Olympic games. However, as can also be seen in Table 8, the rate of increase in the MCS budget allocation was very unstable between 1985 and 1988.

Table 8. Total Budget of Korean Government and MCS

| year | First Objective       |                      |              |                      | Second Objective |
|------|-----------------------|----------------------|--------------|----------------------|------------------|
|      | GOVERNMENT(\$)<br>(A) | INCREASE<br>RATE (%) | MCS (\$) (B) | INCREASE<br>RATE (%) | B/A*100<br>(%)   |
| 1984 | 14,289,675,000        | 7.6                  | 41,477,028   | 35.8                 | 0.29             |
| 1985 | 15,993,536,250        | 11.9                 | 55,545,243   | 33.9                 | 0.35             |
| 1986 | 17,649,135,000        | 10.4                 | 48,129,536   | -15.4                | 0.27             |
| 1987 | 19,449,536,184        | 10.2                 | 54,148,153   | 12.5                 | 0.28             |
| 1988 | 21,830,535,734        | 12.2                 | 47,604,746   | -13.7                | 0.22             |
| 1989 | 24,035,469,850        | 10.1                 | 54,236,335   | 13.9                 | 0.23             |
| 1990 | 28,361,791,210        | 18.0                 | 54,812,821   | 1.1                  | 0.19             |
| 1991 | 33,724,685,000        | 18.9                 | 60,692,451   | 10.7                 | 0.18             |
| 1992 | 41,500,036,250        | 23.1                 | 78,762,754   | 29.8                 | 0.19             |
| 1993 | 47,562,500,000        | 14.6                 | 80,247,664   | 1.9                  | 0.17             |
| 1994 | 54,062,500,000        | 13.7                 | 81,333,119   | 1.4                  | 0.15             |
| 1995 | 62,484,893,750        | 15.6                 | 90,751,215   | 11.6                 | 0.15             |

**Note.** Adapted and translated from the budget statement of the Korean government and the MCS by the Economic Planning Board and the MCS (1983-1995). The increased rate was calculated through the equation which was (this year budget amount - previous year budget amount) / the smaller amount budget of this year and previous year budget amount \* 100.

Since 1988, the year in which the Korean government addressed "sports for all" (which meant providing sports opportunities for all people), the budget allocated to the MCS had only increased incrementally until 1995. However, it could not be stated that these MCS budgets between 1989 and 1995 were reasonably allocated. The reason was that between 1984 and 1988, when the Korean government mainly focused on elite sports, the average percent allocated to the MCS of the entire Korean government was 0.28%, while the average percent between 1989 and 1995 was 0.18%. Therefore, even though the MCS was supposed to provide sport opportunities for more people, the budget did not reflect this change.

The MCS was operated under the name of the Ministry of Sports between 1983 and 1988. At that time, the Ministry of Sports had a budget for only sport-related activities. However, since the Ministry of Sports was changed to the Ministry of Sports for the Youth, the budget not only included sport-related activities but also nonsport-related activities such as Youth league, Boy & Girl scouts. When the average amount of nonsport activities was removed, the remaining annual average amount for actual sport activities was only \$54,074,803 from 1989 to 1995. Therefore, it can be concluded that this amount of money did not increase greatly. This may be attributed to Korea's need for a large budget to participate more effectively in the 1992 Barcelona Olympic games and to prepare for hosting the 1997 Winter Universiade games.

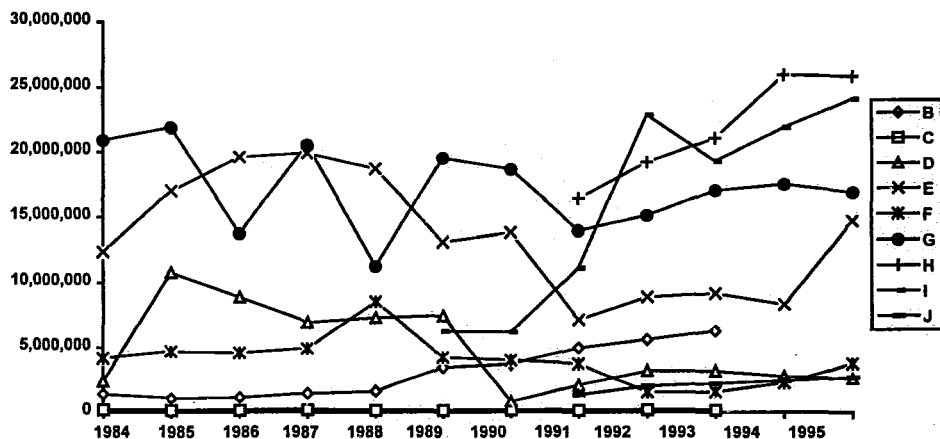
In conclusion, two interesting findings were revealed by Table 8. The MCS's budget amounts were very unstable due to the continuous increase and decrease of funding levels. Secondly, when compared to the entire Korean government budget, the amount allocated to the MCS was very small, (i.e., less than 0.22% between 1984 and 1995). This indicated that actual funding for the MCS did not coincide with the philosophy of the Korean government.

#### Second Manner Using the Functional Classification

The second manner used was to determine if the goals of the MCS were met by an analysis of the budget changes between 1984 and 1995 based on the functional classification of the MCS. The content of the MCS's budget expenditures has a very close relationship with the businesses on which the MCS focused. Therefore, classification of the budget according to the function could assist with determining which

part the MCS has focused upon with regards to either emphasizing elite sports or "sports for all". Secondly, the functional classification may also assist in further understanding the policies established by the MCS.

The fluctuation pattern of funding levels in the functional classification of the MCS from 1984 to 1995 is shown in Figure 3. According to Figure 3, the Sport Science, Rural Sport Facility, and Korean Sports Council were important elements within the MCS functional classification because their budgets were larger than the other entities.



**Figure 3.** The MCS Budget Amount: Adapted and translated from the budget statement of the MCS by the MCS and the Economic Planning Board between 1984 and 1995. B: Institution Operation C: Policy Control D: Sport Encouragement E: Sport Science F: International Sports G: Rural Sport Facility H: Korean Sports Council I: Youth Support J: Korean Youth Institution

A detailed list of funding levels for each area within the functional classification of the MCS is presented in Table 9. The actual dollar amount allocated to the Institutional Operation is shown in Table 9, column B under the functional classification of the MCS. Since 1984, the amounts of money allocated for the Institutional Operation increased except for 1985. The percent of increase for the Institutional Operation budget of the MCS was over 345%  $[(\$6,292,005 - \$1,414,714) / \$1,414,714 * 100]$  from 1984 to 1993. However, since the Ministry of Culture and the Ministry of Sports for the Youth merged in 1992, the Institutional Operation ceased to exist as a budget line item after 1993.

The allocation for Policy Control, which was the entity that created sport policies, and inquires into sport policies, fluctuated a great deal between 1984 and 1989 (see Table 9, column C). After 1989, the amounts of the budgets for the Policy Control increased little by little. Nevertheless, when the budget in 1984 was compared with that in 1993, it could be shown that the overall allocation decreased by 13.14%  $[(\$180,460 - \$204,181) / \$180,460 * 100]$ . This decrease in funding demonstrated that the Korean government, as well as the MCS lessened its concern for Policy Control.

The budget allocation of the Sport Encouragement can be explained as two distinct periods (see Table 9, column D): before the Korean Sports Council became a separate budget line item in 1991 and after. The Sport Encouragement mainly dealt with businesses involved in the Korean Sports Council until 1990. The budget showed that while the average allocation for Sport Encouragement prior to the Korean Sports Council was separated (between 1984 and 1990) was \$7,424,474, the average allocation of the Sport Encouragement between 1991 and 1995 was \$2,800,635. Additionally, the 1991

Table 9. The MCS's Total Budget by the Functional Classification

| Year    | A          | B         | C       | D          | E          | F         | G          | H          | I          | J         |
|---------|------------|-----------|---------|------------|------------|-----------|------------|------------|------------|-----------|
| 1984    | 41,477,028 | 1,414,714 | 204,181 | 2,392,300  | 12,369,135 | 4,172,948 | 20,923,750 |            |            |           |
| 1985    | 55,545,243 | 1,099,459 | 161,340 | 10,757,656 | 16,970,279 | 4,681,509 | 21,875,000 |            |            |           |
| 1986    | 48,129,536 | 1,156,884 | 168,146 | 8,870,159  | 19,611,660 | 4,572,688 | 13,750,000 |            |            |           |
| 1987    | 54,148,153 | 1,518,658 | 208,730 | 6,943,274  | 19,932,324 | 4,970,168 | 20,575,000 |            |            |           |
| 1988    | 47,604,746 | 1,654,589 | 153,931 | 7,296,566  | 18,715,834 | 8,520,068 | 11,263,759 |            |            |           |
| 1989    | 54,236,335 | 3,485,656 | 166,063 | 7,432,063  | 13,091,174 | 4,244,533 | 19,562,500 |            | 6,254,348  |           |
| 1990    | 54,812,821 | 3,730,090 | 152,933 | 8,279,303  | 13,807,834 | 4,014,670 | 18,656,250 |            | 6,196,173  |           |
| 1991    | 60,692,451 | 4,999,615 | 166,464 | 2,102,604  | 7,143,110  | 3,772,391 | 13,968,750 | 16,422,896 | 11,134,923 | 1,384,966 |
| 1992    | 78,762,754 | 5,616,204 | 170,460 | 3,236,020  | 8,901,430  | 1,578,846 | 15,118,750 | 19,230,210 | 22,882,230 | 2,028,604 |
| 1993    | 80,247,664 | 6,292,005 | 180,460 | 3,219,973  | 9,204,421  | 1,624,180 | 17,041,250 | 21,094,181 | 19,351,744 | 2,239,450 |
| 1994    | 81,333,119 |           |         | 2,802,119  | 8,340,839  | 2,290,099 | 17,532,500 | 25,980,975 | 21,922,921 | 2,463,666 |
| 1995    | 90,751,215 |           |         | 2,642,458  | 14,711,950 | 3,780,588 | 16,882,500 | 25,852,309 | 24,128,849 | 2,732,563 |
|         | A          | B/A (%)   | C/A (%) | D/A (%)    | E/A (%)    | F/A (%)   | G/A (%)    | H/A (%)    | I/A (%)    | J/A (%)   |
| 1984    | 41,477,028 | 3.41      | 0.49    | 5.77       | 29.82      | 10.06     | 50.45      |            |            |           |
| 1985    | 55,545,243 | 1.98      | 0.29    | 19.37      | 28.95      | 8.43      | 39.38      |            |            |           |
| 1986    | 48,129,536 | 2.40      | 0.35    | 18.43      | 40.75      | 9.50      | 28.57      |            |            |           |
| 1987    | 54,148,153 | 2.80      | 0.39    | 12.82      | 36.81      | 9.18      | 38.00      |            |            |           |
| 1988    | 47,604,746 | 3.48      | 0.32    | 15.33      | 39.32      | 17.90     | 23.66      |            |            |           |
| 1989    | 54,236,335 | 6.43      | 0.31    | 13.70      | 24.14      | 7.81      | 36.07      |            | 11.53      |           |
| 1990    | 54,812,821 | 6.81      | 0.28    | 15.10      | 25.19      | 7.32      | 34.04      |            | 11.30      |           |
| 1991    | 60,692,451 | 8.24      | 0.27    | 3.46       | 11.77      | 6.22      | 23.02      | 27.06      | 18.35      | 2.28      |
| 1992    | 78,762,754 | 7.13      | 0.22    | 4.11       | 11.30      | 2.00      | 19.20      | 24.42      | 29.05      | 2.58      |
| 1993    | 80,247,664 | 7.84      | 0.22    | 4.01       | 11.47      | 2.02      | 21.24      | 26.29      | 24.12      | 2.79      |
| 1994    | 81,333,119 |           |         | 3.45       | 10.26      | 2.82      | 21.56      | 31.94      | 26.95      | 3.03      |
| 1995    | 90,751,215 |           |         | 2.91       | 16.21      | 4.17      | 18.60      | 28.49      | 26.59      | 3.01      |
| Average |            | 5.05      | 0.31    | 9.87       | 23.83      | 7.29      | 29.48      | 27.64      | 21.13      | 2.74      |

Note. Adapted and translated from the budget statement of the MCS by the MCS and the Economic Planning Board between 1984 and 1995. A: total budget amount of the MCS B: Institution Operation C: Policy Control D: Sport Encouragement E: Sport Science F: International Sports G: Rural Sport Facility H: Korean Sports Council I: Youth Support J: Korean Youth Institution.

allocation of the Sport Encouragement decreased 294% [ $(\$2,102,604 - \$8,279,303) / \$2,102,604 * 100$ ] as compared with the 1990 allocation of the Sport Encouragement. Since 1991, the budget allocation for the Sport Encouragement continued to decrease until 1995. According to these results, the Korean government, as well as the MCS, focused on elite sports in the Sport Encouragement area between 1984 and 1995 even though the new policy for people, which was "sports for all", was initiated in 1988.

The Sport Science was one of the important entities within the MCS that the Korean government funded (see Table 9, column E). From 1984 to 1987, the budget allocation for Sport Science in the MCS functional classification increased over 61.15% [ $(\$19,932,324 - \$12,369,135) / \$12,369,135 * 100$ ]. However, from 1987 to 1990, the budget allocated to the Sport Science decreased by 44.36% [ $(\$13,807,834 - \$19,932,324) / \$13,807,834 * 100$ ]. Over the next two years when the Korean Sports Council became an independent institution within the MCS, the dollar amount for the Sport Science dramatically decreased by a total of 93.30% [ $(\$7,143,110 - \$13,807,834) / \$7,143,110 * 100$ ]. However, after 1991, the budget amount for this part increased little by little until 1995 with the exception of the 1994 budget.

In conclusion, while the average portion for the Sport Science was 32.14% between 1984 and 1990, the average portion was only 12.08% of the entire MCS budget. Therefore, similar to the part of Sport Encouragement, it could be concluded that this part had mainly been budgeted for elite sports participation. This result is not surprising because the MCS decreased the budget amount for "sports for all", and therefore the

budget amounts after 1990 did not include any money relating to the Korean Sports Council which was used exclusively for elite sports.

The International Sports in the MCS functional classification has existed exclusively for the elite sports. This is directly related to participation in or hosting of international sport competitions. The budget allocation for the International Sports did not have significant changes between 1984 and 1990 with exception of the 1988 budget (see Table 9, column F). The possible reason for this was due to the 1988 Olympic games being held in Korea. Since the Korean Sports Council was separated out in 1991, the budget allocated to the International Sports decreased. Thus, while the average portion between 1984 and 1990 was 10.03%, between 1991 and 1995 it was only 3.45% of the entire MCS budget. Therefore, it can be concluded that the International Sports has also been influenced by the Korean Sports Council which mainly deals with the elite sports like Sport Encouragement and Sport Science.

The Rural Sport Facility under the MCS functional classification is for constructing or developing sport facilities, and therefore this part was both directly and indirectly related to the elite sports and "sports for all". Generally, the budget amount allocated to the Rural Sport Facility fluctuated continuously (see Table 9, column G). The budget amounts in 1984, 1985, and 1987 were the highest over the period studied. Therefore, increased funding was most likely granted because of Korea's participation in the 1986 Asian and 1988 Olympic games. Also, the overall budget allocation of this part had decreased slightly. Specifically, since 1984, the budget allocation for the Rural Sport Facility decreased 23.94% [ $(\$16,882,500 - \$20,923,750) / \$16,882,500 * 100$ ] until 1995.

In 1984 and 1985, the amount budgeted for Rural Sport Facility was much higher due to the fact that Korea prepared to host the 1986 Asian and 1988 Olympic games. Korea spent large amounts on facility improvement, design, and construction of new athletic facilities for their hosting of the 1986 Asian and 1988 Summer Olympic games. These facilities were also used to train athletes for these competitions. Secondly, the monies allocated in 1987 were much larger to complete the plan to host the 1988 Summer Olympic games. Therefore, huge dollar amounts were allocated to the Rural Sport Facility line to assist with completion of all necessary training and competition sites for the 1988 Olympic games.

Traditionally, the Korean Sports Council has dealt with the elite sports. Until 1990, the tasks performed by the Korean Sports Council included the Sport Encouragement, Sport Science, and International Sports. Prior to 1991, the Korean Sports Council was listed as a separate line item under the MCS functional classification. The average portion of the Korean Sports Council between 1991 and 1995 was 27.64% of the entire MCS budget which was the highest line item under the MCS functional classification (see Table 9, column H). Therefore, the Korean Sports Council accounted for over one-fourth of the MCS budget. This revelation continued to reinforce the hypothesis that the MCS and Korean government were more concerned with elite sports than its stated philosophy supporting "sports for all".

Youth Support under the MCS functional classification was related to nonsport activities. Since 1989 when the Ministry of Sports was changed to the Ministry of Sports for the Youth, the Korean government began to focus on the Youth Support. Thus, from

1989 to 1995, the budget amount allocated to the Youth Support increased over 286%  $[(\$24,128,849 - \$6,254,348) / \$6,254,348 * 100]$  (see Table 9, column I).

Like the Youth Support, the Korean Youth Institution performed nonsport activities. Similar to the Korean Sports Council, in 1991, the Korean Youth Institution, which had been the primary entity for the Youth Support, was separated from the Youth Support. Even though the average portion of the Korean Youth Institution was small (only 2.74% of the entire MCS budget between 1991 and 1995), the overall budget allocation of the Korean Youth Institution increased continuously (see Table 9, column J). Thus, between 1991 and 1995, the budget allocated to the Korean Youth Institution increased 97.30%  $[(\$2,732,563 - \$1,384,966) / \$1,384,966 * 100]$ .

In conclusion, when the MCS functional classification was analyzed, it was evident that the Korean government and the MCS still focused on the elite sports even though "sports for all" was implemented in 1988. One important area that the Korean government was very concerned about was the Korean Sports Council between 1984 and 1995. This was evident because the budget allocations for the Sport Encouragement, Sport Science, and International Sports were very different in accordance with the time period either before or after the Korean Sports Council was separated out in 1991. Secondly, the Korean government increased the budget allocation for the Youth Support and the Korean Youth Institution which were related to nonsport activities. This demonstrated that budget allocations for nonsport activities of the MCS affected the budget amount for sport activities.

### Third Manner Using the Economic Character Classification

There are nine different items included in the functional classification: Institution Operation, Policy Control, Sport Encouragement, Sport Science, International Sports, Rural Sport Facility, Korean Sports Council, Youth Support, and Korean Youth Institution. Each item is managed by a basic expenditure and a business expenditure in accordance with the usage of these expenditures. A basic expenditure is an expense used to operate each of the aforementioned items under the functional classification such as salaries, facility maintenance, and other expenses used to operate the departments. Thus, these expenditures tend to be fixed. On the other hand, business expenditures (i.e., international competitions or facility construction) are those expenses used to carry out the objectives of each item under the functional classification. Therefore, these expenditures fluctuated in accordance with the philosophy of the Korean government and the MCS. These two kinds of expenditures are classified as economic characters. The MCS economic character classification was studied to evaluate to what extent the MCS initiated its efforts to support elite sports and "sports for all".

#### Institutional Operation

Since 1984, the total budget for Institutional Operation had increased without any cutback until 1993 (see Table 10). When the budget was allocated for the Institutional Operation, it could be seen that the MCS was more focused on the basic expenditures than business expenditures. From 1984 to 1993, the budget allocated to the basic expenditure increased over 617.22% [ $(\$5,963,286 - \$831,445) / \$831,445 * 100$ ], and the budget allocation for the business expenditure decreased 77.44% [ $(\$328,719 - \$583,269) /$

Table 10. Institutional Operation in the Economic Character Classification

|         | Total Budget | Basic<br>Expenditure | Business<br>Expenditure | Portion<br>(%) |
|---------|--------------|----------------------|-------------------------|----------------|
| 1984    | 1,414,714    | 831,445              | 583,269                 | 3.41           |
| 1985    | 1,099,459    | 878,085              | 221,374                 | 1.98           |
| 1986    | 1,156,884    | 911,555              | 245,329                 | 2.40           |
| 1987    | 1,518,658    | 1,244,298            | 274,360                 | 2.80           |
| 1988    | 1,654,589    | 1,450,903            | 203,686                 | 3.48           |
| 1989    | 3,485,656    | 3,106,450            | 379,206                 | 6.43           |
| 1990    | 3,730,090    | 3,241,760            | 488,330                 | 6.81           |
| 1991    | 4,999,615    | 4,149,626            | 849,989                 | 8.24           |
| 1992    | 5,616,204    | 4,726,563            | 889,641                 | 7.13           |
| 1993    | 6,292,005    | 5,963,286            | 328,719                 | 7.84           |
| Average | 3,096,787    | 2,650,397            | 446,390                 | 5.05           |

Note. Adapted and translated from the budget statement of the MCS by the Economic Planning Board between 1984 and 1993.

\$328,719 \* 100]. In 1994, the Institutional Operation was taken out of the MCS functional classification (see Table 9, column B), because the Ministry of Culture and Ministry of Sports for the Youth merged in 1992. Therefore, this demonstrated that most of the budget allocation for Institutional Operation did not support the philosophy of the MCS and Korean government because basic expenditures were not directly related to sport administration.

#### Policy Control

The Policy Control had been managed with the smallest budget in the functional classification of the MCS (see Table 9, column C). There were two other businesses included under the Policy Control: Sport Policy Development and Sport Inquiry (see Table 11).

Table 11. Policy Control in Economic Character Classification

| Year    | Total Budget | Other Business           |               | Portion (%) |
|---------|--------------|--------------------------|---------------|-------------|
|         |              | Sport Policy Development | Sport Inquiry |             |
| 1984    | 204,181      | 199,806                  | 4,375         | 0.49        |
| 1985    | 161,340      | 156,765                  | 4,575         | 0.29        |
| 1986    | 168,146      | 163,571                  | 4,575         | 0.35        |
| 1987    | 208,730      | 204,155                  | 4,575         | 0.39        |
| 1988    | 153,931      | 147,871                  | 6,060         | 0.32        |
| 1989    | 166,063      | 164,638                  | 1,425         | 0.31        |
| 1990    | 152,933      | 152,933                  |               | 0.28        |
| 1991    | 166,464      | 166,464                  |               | 0.27        |
| 1992    | 170,460      | 170,460                  |               | 0.22        |
| 1993    | 180,460      | 180,460                  |               | 0.22        |
| Average | 173,271      | 170,712                  | 4,264         | 0.31        |

Note. Adapted and translated from the budget statement of the MCS by the Economic Planning Board between 1984 and 1993.

After 1990, the Sport Inquiry was no longer included as a budget line item. The budget allocation for the Sport Policy Development from 1984 to 1993 was unstable, and actually decreased 10.72% [ $(\$180,460 - \$199,806) / \$180,460 * 100$ ]. Since 1994, the Policy Control was taken out of the MCS functional classification (see Table 9, column D) because the Ministry of Culture and the Ministry of Sports for the Youth merged in 1992. This result was interesting because it indicated the lack of the MCS's efforts to actually develop sport policies.

#### Sport Encouragement

The average portion allocated to the Sport Encouragement was 9.87% of the entire MCS budgets between 1984 and 1995 (see Table 9, column D). There were four kinds of main businesses and four kinds of other businesses within the Sport Encouragement (see Table 12).

Table 12. Sport Encouragement in the Economic Character Classification

| Year    | A          | Main Business |         |           |           | Other Business |         |         |         |
|---------|------------|---------------|---------|-----------|-----------|----------------|---------|---------|---------|
|         |            | B             | C       | D         | E         | F              | G       | H       | I       |
| 1984    | 2,392,300  | 1,500,645     |         |           |           | 547,109        |         | 46,025  | 34663   |
| 1985    | 10,757,656 | 3,617,778     | 546,250 | 5,625,000 |           | 607,038        |         | 66,975  | 11,350  |
| 1986    | 8,870,159  | 4,801,316     | 546,250 | 2,500,000 |           | 588,621        | 23,483  | 92,774  | 12,490  |
| 1987    | 6,943,274  | 5,106,336     | 601,250 |           |           | 641,846        | 26,074  | 194,328 | 50,146  |
| 1988    | 7,296,566  | 5,473,791     | 404,674 |           |           | 689,305        | 62,814  | 231,760 | 39,768  |
| 1989    | 7,432,063  | 5,792,945     | 305,930 |           |           | 690,500        | 69,631  | 491,939 | 19,630  |
| 1990    | 8,279,303  | 5,385,233     | 70,221  |           | 1,199,188 | 819,316        |         | 679,015 | 61,918  |
| 1991    | 2,102,604  |               |         |           | 1,084,925 | 312,849        |         | 568,320 | 56,965  |
| 1992    | 3,236,020  |               |         |           | 2,139,401 | 359,061        |         | 568,375 | 93,486  |
| 1993    | 3,219,973  |               |         |           | 2,149,741 | 282,835        |         | 553,916 | 105,960 |
| 1994    | 2,802,119  |               |         |           | 2,063,190 | 117,756        |         | 453,758 | 78,288  |
| 1995    | 2,642,458  |               |         |           | 2,248,168 |                |         | 262,373 | 34,819  |
|         | A          | B/A (%)       | C/A (%) | D/A (%)   | E/A (%)   | F/A (%)        | G/A (%) | H/A (%) | I/A (%) |
| 1984    | 2,392,300  | 62.73         |         |           |           | 22.87          |         | 1.92    | 1.45    |
| 1985    | 10,757,656 | 33.63         | 5.07    | 52.29     |           | 5.64           |         | 0.62    | 0.11    |
| 1986    | 8,870,159  | 54.13         | 6.16    | 28.18     |           | 6.64           | 0.26    | 1.05    | 0.14    |
| 1987    | 6,943,274  | 73.54         | 8.66    |           |           | 9.24           | 0.38    | 2.80    | 0.72    |
| 1988    | 7,296,566  | 75.02         | 5.55    |           |           | 9.45           | 0.86    | 3.18    | 0.55    |
| 1989    | 7,432,063  | 77.95         | 4.12    |           |           | 9.29           | 0.94    | 6.62    | 0.26    |
| 1990    | 8,279,303  | 65.04         | 0.85    |           | 14.48     | 9.90           |         | 8.20    | 0.75    |
| 1991    | 2,102,604  |               |         |           | 51.60     | 14.88          |         | 27.03   | 2.71    |
| 1992    | 3,236,020  |               |         |           | 66.11     | 11.10          |         | 17.56   | 2.89    |
| 1993    | 3,219,973  |               |         |           | 66.76     | 8.78           |         | 17.20   | 3.29    |
| 1994    | 2,802,119  |               |         |           | 73.63     | 4.20           |         | 16.19   | 2.79    |
| 1995    | 2,642,458  |               |         |           | 85.08     |                |         | 9.93    | 1.32    |
| Average | 5,497,875  | 63.15         | 5.07    | 40.24     | 59.61     | 10.18          | 0.61    | 9.36    | 1.42    |

Note. Adapted and translated from the budget statement of the MCS by the Economic Planning Board and the MCS between 1984 and 1995. A: Total Budget of Sport Encouragement B: General Business of Korean Sports Council C: Computer System of National Sport Competition D: Fund Raising for National Sports E: Life Sport Encouragement F: School Sport Encouragement G: School Meal Control H: Social Sport Encouragement I: Sport Facility Management

The General Business of the Korean Sports Council (see Table 12, column B) was given the largest allocation under the main businesses in the Sport Encouragement until the Korean Sports Council was separated in 1991. The tasks of this business were to operate the Korean Sports Council, control athletic leagues, and train referees. Therefore, this business was regarded only for the elite sports. The average budget allocation between 1984 and 1990 for this business was \$4,525,435 (see Table 12, column B), and during this same time, the budget allocation for this business increased over 258.86%  $[(\$5,385,233 - \$15,500,645) / \$1,600,645 * 100]$ . The interesting finding was that the budget allocated to this business increased continuously from 1984 to 1990 with the exception of the 1990 budget. This demonstrated that the Korean government and MCS once again devoted its funding primarily to the elite sports.

From 1987 to 1990, the budget allocation for the Computer System of the National Sport Competition business fluctuated a great deal (see Table 12, column C). The budget amount allocated to this business in 1990 greatly decreased by 335.67%  $[(\$70,221 - \$305,930) / \$70,221 * 100]$  as compared with the budget allocation in the previous year. Fund Raising for National Sports business was developed exclusively for the elite sports for preparation of the 1986 Asian and 1988 Olympic games (see Table 12, column D). This business was discontinued after 1985 because it had served its purposes of generating additional monies for elite sport competitions.

Based on the purpose of the Korean government for "sports for all", the Life Sport Encouragement business was founded in 1990 (see Table 12, column E). Since 1990, the budget amount allocated to this business increased over 87.47%  $[(\$2,248,168 -$

\$1,199,188) / \$1,199,188 \* 100]. This finding may indicate that the Korean government and the MCS made efforts to fulfill its goal of "sports for all". However, when the budget allocation between the elite sports and "sports for all" was compared, the funding amounts were not high enough to support this new policy. According to Table 13, when the budget allocation for "sports for all" was evaluated, a very surprising result was revealed; from 1984 to 1995, the budget allocation for "sports for all" increased over 5354.73% [(\$2,510,543 - \$46,025) / \$46,025 \* 100]. More interesting was that the budget

Table 13. Budget Amounts for Elite Sports and "Sports for All" between 1984 and 1995

| Year    | A          | B          | C         | B/A (%) | C/A (%) |
|---------|------------|------------|-----------|---------|---------|
| 1984    | 41,477,028 | 14,113,603 | 46,025    | 34.03   | 0.11    |
| 1985    | 55,545,243 | 20,966,383 | 66,975    | 37.73   | 0.12    |
| 1986    | 48,129,536 | 24,154,093 | 92,771    | 50.19   | 0.19    |
| 1987    | 54,148,153 | 24,781,465 | 194,328   | 45.77   | 0.35    |
| 1988    | 47,604,746 | 23,822,244 | 231,760   | 50.04   | 0.49    |
| 1989    | 47,981,988 | 18,797,265 | 491,939   | 39.18   | 1.03    |
| 1990    | 48,641,079 | 19,537,054 | 1,878,210 | 40.17   | 3.86    |
| 1991    | 48,575,830 | 20,300,081 | 1,664,495 | 41.79   | 3.43    |
| 1992    | 53,851,920 | 23,708,794 | 2,707,776 | 44.03   | 5.03    |
| 1993    | 58,656,470 | 25,640,584 | 2,703,458 | 43.71   | 4.61    |
| 1994    | 56,946,531 | 30,575,730 | 2,516,948 | 53.69   | 4.42    |
| 1995    | 63,869,804 | 33,691,040 | 2,510,540 | 52.75   | 3.93    |
| Average | 52,119,027 | 23,340,695 | 1,258,769 | 44.42   | 2.30    |

*Note.* Adapted and translated from the budget statement of the MCS by the Economic Planning Board and the MCS between 1984 and 1995. A: Total Budget Amount subtracted the budget amount for the parts of the Youth Support and Korean Youth Institution B: Budget Amount for Elite Sports (the budget amount for Recruit & Training of New Athletes + the budget amounts for Korean Sports Council except for School & Life Sports) C: Budget Amount for Sports for All (the budget amount for Life Sport Encouragement + the budget amount for Social Sport Encouragement).

allocation for the elite sports was approximately 13 times higher than the budget allocation for "sports for all" in 1995. Therefore, these results demonstrated that the

Korean government rarely concerned itself with "sports for all" prior to 1988 when "sports for all" was addressed, and after 1988, the Korean government continued to fund the development of elite sports. This is in conflict with the stated intention of both the MCS and Korean government to support both programs. In other businesses under the Sport Encouragement, the School Sport Encouragement related to education in school. Its budget allocation increased over 49.75%  $[(\$819,316 - \$547,109) / \$547,109 * 100]$  from 1984 to 1990, and decreased 595.77%  $[(\$117,756 - \$819,316) / \$117,756 * 100]$  from 1990 to 1994. In 1995, the School Sport Encouragement was abolished (see Table 12, column F) because of a lack of support by school administration.

The School Meal Control (see Table 12, column G) was budgeted to provide students with healthy meals in elementary, middle, and high schools. The budget allocated to the School Meal Control increased over 196.51%  $[(\$69,631 - \$23,483) / \$23,483 * 100]$  until 1989. Therefore, it can be concluded that this was the business to promote active participation of Korean people during the period only when the 1986 Asian and 1988 Olympic games were held.

The Social Sport Encouragement was regarded as one of the businesses for "sports for all". From 1984 to 1990, the budget allocation for the Social Sport Encouragement increased over 1375.31%  $[(\$679,015 - \$46,025) / \$46,025 * 100]$ , and since 1990, decreased 158.79%  $[(\$262,373 - \$679,015) / \$262,373 * 100]$  (see Table 12, column H). This significant increase is important because from 1988 to 1990, right after the Korean government addressed "sports for all", the budget allocation for "sports for all" increased 192.98%  $[(\$679,015 - \$231,760) / \$231,760 * 100]$ , however since that time the allocation

decreased by 158.79% [ $(\$262,373 - \$679,015) / \$262,373 * 100$ ]. Therefore, these results once again indicated that the Korean government, as well as the MCS, was not concerned about "sports for all".

The Sport Facility Management was budgeted for surveying the conditions of current facilities to maintain sport facilities. Therefore, it can not be said whether this business was related to elite sports or "sports for all". Its budget allocation fluctuated from 1984 to 1995.

In conclusion, the Sport Encouragement under the functional classification can be explained by two distinct periods: before and after the Korean Sports Council was separated. Before the Korean Sports Council was separated in 1991, the Korean government, as well as the MCS, focused only on the elite sports. The reason was that 68.22% of the entire Sport Encouragement budget between 1984 and 1990 was allocated to the General Business of the Korean Sports Council and the Computer System of the National Sport Competition which were exclusively provided for the elite sports, while the budget allocation for "sports for all" was only 3.48% during those periods.

After the Korean Sports Council became independent, the average portion for "sports for all" (Life Sport Encouragement + Social Sport Encouragement) was 86.22% of the entire budget for Sport Encouragement between 1991 and 1995. However, the entire budget in 1990 was \$8,279,303, and it included the General Business of Korean Sports Council and the Computer System of National Sport Competition (see Table 12, column A). However, the entire budget in 1991 was only \$2,102,604 which did not include these two parts. It was interesting to find that the actual budget amount for

“sports for all” had not really changed although the percentage of the allocation for “sports for all” actually increased.

### Sport Science

The part of Sport Science in the MCS's functional classification (see Table 9, column E) averaged 23.83% of the entire MCS budgets between 1984 and 1995, and recently added three main businesses and three other businesses in 1995.

Similar to the case of the General Business of the Korean Sports Council, the Special Business of Korean Sports Council was the largest portion of the entire Sport Science budget between 1984 and 1990 (see Table 14, column B). The particular feature in the budget of the Special Business of the Korean Sports Council was that the budget allocation for this business between 1985 and 1988 was especially high because of the importance placed on the 1986 Asian and 1988 Olympic games. Since 1988, the budget allocation for this business decreased 68% [ $(\$7,627,839 - \$12,815,239) / \$7,627,839 * 100$ ]. Therefore, based on these results, it can be seen that this business was directly related to the elite sports. From 1984 to 1995, the budget allocation for the Recruiting & Training of New Athletes increased over 55.78% [ $(\$4,968,450 - \$3,189,313) / \$3,189,313 * 100$ ] (see Table 14, column C). This business was particularly allocated a great deal of money between 1985 and 1988 due to Korea's participation in the 1986 Asian and 1988 Olympic games. It was not surprising to see this increase in funding because this business was also established to assist elite sports.

Table 14. Sport Science in the Economic Character Classification

| Year    | Main Business |            |           |           |           | Other Business |         |         |
|---------|---------------|------------|-----------|-----------|-----------|----------------|---------|---------|
|         | A             | B          | C         | D         | E         | F              | G       | H       |
| 1984    | 12,369,135    | 8,651,233  | 3,189,313 |           |           | 261,849        | 17,121  |         |
| 1985    | 16,970,279    | 12,355,966 | 4,243,889 |           |           | 66,848         | 30,129  |         |
| 1986    | 19,611,660    | 14,321,460 | 4,485,066 |           |           | 435,666        | 83,204  |         |
| 1987    | 19,932,324    | 14,311,344 | 4,762,535 |           |           | 458,215        | 99,360  |         |
| 1988    | 18,715,834    | 12,815,239 | 4,723,866 |           |           | 755,050        | 104,873 |         |
| 1989    | 13,091,174    | 8,769,059  | 3,929,294 |           |           | 205,340        | 136,556 |         |
| 1990    | 13,807,834    | 7,627,839  | 3,822,945 | 1,945,869 |           | 189,685        | 167,661 |         |
| 1991    | 7,143,110     |            | 4,025,044 | 2,056,266 | 224,309   | 189,973        | 178,478 | 400,070 |
| 1992    | 8,901,430     |            | 4,626,443 | 2,274,111 | 1,124,374 | 180,966        | 189,669 | 429,755 |
| 1993    | 9,204,421     |            | 4,682,030 | 2,292,578 | 1,167,513 | 130,855        | 189,565 | 429,006 |
| 1994    | 8,340,839     |            | 4,716,820 | 2,134,241 | 792,513   | 90,229         | 170,609 | 350,645 |
| 1995    | 14,711,950    |            | 4,968,450 | 2,095,528 | 792,388   | 79,594         | 170,609 | 104,895 |
|         | A             | B/A (%)    | C/A (%)   | D/A (%)   | E/A (%)   | F/A (%)        | G/A (%) | H/A (%) |
| 1984    | 12,369,135    | 69.94      | 25.78     |           |           | 2.12           | 0.14    |         |
| 1985    | 16,970,279    | 72.81      | 25.01     |           |           | 0.39           | 0.18    |         |
| 1986    | 19,611,660    | 73.03      | 22.87     |           |           | 2.22           | 0.42    |         |
| 1987    | 19,932,324    | 71.80      | 23.89     |           |           | 2.30           | 0.50    |         |
| 1988    | 18,715,834    | 68.47      | 25.24     |           |           | 4.03           | 0.56    |         |
| 1989    | 13,091,174    | 66.98      | 30.01     |           |           | 1.57           | 1.04    |         |
| 1990    | 13,807,834    | 55.24      | 27.69     | 14.09     |           | 1.37           | 1.21    |         |
| 1991    | 7,143,110     |            | 56.35     | 28.79     | 3.14      | 2.66           | 2.50    | 5.60    |
| 1992    | 8,901,430     |            | 51.97     | 25.55     | 12.63     | 2.03           | 2.13    | 4.83    |
| 1993    | 9,204,421     |            | 50.87     | 24.91     | 12.68     | 1.42           | 2.06    | 4.66    |
| 1994    | 8,340,839     |            | 56.55     | 25.59     | 9.50      | 1.08           | 2.05    | 4.20    |
| 1995    | 14,711,950    |            | 33.77     | 14.24     | 5.39      | 0.54           | 0.12    | 0.71    |
| Average | 13,566,666    | 68.32      | 35.83     | 22.20     | 8.67      | 1.81           | 1.08    | 4.00    |

Note: Adapted and translated from the budget statement of the MCS by the Economic Planning Board and the MCS between 1984 and 1995. A: Total Budget of Sport Science B: Special Business of Korean Sports Council C: Recruit & Training of New Athletes D: Korea Sport Science Institute E: Youth Athletic Competition F: Supply of Sport Skills for Sport Science G: Instructor Training H: Sport Activity Encouragement & Instruction

The Korea Sport Science Institute of the MCS related to both the elite sports and “sports for all”. This institute continues to emphasize a balanced development of elite sports and “sports for all” through advancing and broadening sport skills and programs. The budget allocation for the Korea Sport Science Institute was too small for this institute to be developed for both programs (see Table 15).

Table 15. Comparison of Korea Sport Science Institute, Elite Sports, and Sports for All

| Year    | A          | B         | C          | D         | B/A (%) | C/A (%) | D/A (%) |
|---------|------------|-----------|------------|-----------|---------|---------|---------|
| 1990    | 48,641,079 | 1,945,869 | 19,537,054 | 1,878,210 | 4.00    | 40.17   | 3.86    |
| 1991    | 48,575,830 | 2,056,266 | 20,300,081 | 1,664,495 | 4.23    | 41.79   | 3.43    |
| 1992    | 53,851,920 | 2,274,111 | 23,708,794 | 2,707,776 | 4.22    | 44.03   | 5.03    |
| 1993    | 58,656,470 | 2,292,578 | 25,640,584 | 2,703,458 | 3.91    | 43.71   | 4.61    |
| 1994    | 56,946,531 | 2,134,241 | 30,575,730 | 2,516,948 | 3.75    | 53.69   | 4.42    |
| 1995    | 63,869,804 | 2,095,528 | 33,691,040 | 2,510,540 | 3.28    | 52.75   | 3.93    |
| Average | 55,090,272 | 2,133,099 | 25,575,547 | 2,330,238 | 3.90    | 46.02   | 4.21    |

Note. Adapted and translated from the budget statement of the MCS by the Economic Planning Board and the MCS between 1990 and 1995. A: Total Budget Amount subtracted the budget amount for the parts of the Youth Support and Korean Youth Institution B: Budget Amount for Korea Sport Science Institute C: Budget Amount for Elite Sports (the budget amount for Recruit & Training of New Athletes + the budget amounts for Korean Sports Council except for School & Life Sports) D: Budget Amount for Sports for All (the budget amount for Life Sport Encouragement + the budget amount for Social Sport Encouragement).

While the average portion for the elite sports was 46.02%, and that for “sports for all” was 4.21% of the entire MCS budget between 1990 and 1995, the average portion for the Korea Sport Science Institute was only 3.90% of the entire MCS budget. These results indicated that the budget allocation for the Korea Sport Science Institute was not large enough to develop both sport policies. Youth Sport Competitions are one of many sport competitions held in Korea. The budget allocated for this competition fluctuated between 1991 and 1995 (see Table 14, column E).

In other businesses, the budget amount allocated to the Supply of Sport Skills for Sport Science increased over 1029.50%  $[(\$755,050 - \$66,848) / \$66,848 * 100]$  from 1985 to 1988 (see Table 14, column F). Thereafter, its budget allocation decreased 848.62%  $[(\$79,594 - \$755,181) / \$79,594 * 100]$ . This result reveals that the efforts to improve the quality of the Korean sports were disappearing due to the decrease in funding levels.

The budget allocation for the Instructor Training increased over 896.48%  $[(\$170,609 - \$17,121) / \$17,121 * 100]$  from 1984 to 1995. Nevertheless, since sport policy was changed to "sports for all" in 1988, the average portion for this business between 1989 and 1995 was 1.59% of the entire budget of the Sport Science. Therefore, it can be said that this average portion was not large enough to train sport instructors at all levels.

The Sport Activity Encouragement & Instruction was the business that supported the sport schools. Since 1991, the budget allocation for this business decreased 281.45%  $[(\$104,895 - \$400,070) / \$104,895 * 100]$ . However, it can not be said that the budget allocated to the Sport Activity Encouragement & Instruction was lacking because the budget amount for this business, which supported several sport schools, was still larger than the budget allocation for the Instructor Training which covered the training of all sport instructors in Korea.

In conclusion, from 1984 to 1990, the Korean government allocated 95.54% of the total Sport Science budget for the elite sports which were the Special Business for Korean Sports Council and Recruit & Training of New Athletes. Also, even though the purposes

of the Korea Sport Science Institute were to develop both elite sports and "sports for all", this institute's budget allocation was not enough to develop both policies. The Instructor Training related to "sports for all" was not funded sufficiently to train sport instructors in Korea because the majority of the budget was allocated to the Sport Activity Encouragement & Instruction related to elite sports. Therefore, it can be concluded that the Korean government and the MCS focused on elite sports in Sport Science.

### International Sports

The average portion of the International Sports in the functional classification was 7.29% of the entire MCS budget between 1984 and 1995 (see Table 9, column F). From 1984 to 1990, the International Connection was the main business within the International Sports (see Table 16, column B). At that time, the budget allocation for this business fluctuated a great deal even though it averaged 58.99% of the entire International Sports budget between 1984 and 1992. From 1991 to 1992, a budget for the World- Korea Sport Competition was started, and the Korean Sports Council was separated and hence the budget allocated to the International Connection decreased 947.47%  $[(\$289,226 - \$3,029,570) / \$289,226 * 100]$ . After 1993, this business was no longer allocated funds.

The first World-Korea Sport Competition was held in 1992 and has been held every two years since that date. Thus, the budget allocation for this competition fluctuated a great deal (see Table 16, column C) because funding was much higher in the preparation year and lower in the competition year.

Table 16. International Sports in the Economic Character Classification

| Year    | A         | Main Business |           | Other Business |        |           |        |         |
|---------|-----------|---------------|-----------|----------------|--------|-----------|--------|---------|
|         |           | B             | C         | D              | E      | F         | G      | H       |
| 1984    | 4,172,948 | 3,611,793     |           | 229,513        | 50,234 | 51,170    |        |         |
| 1985    | 4,681,509 | 3,386,429     |           | 655,551        | 48,275 | 339,855   |        |         |
| 1986    | 4,572,688 | 3,438,143     |           | 682,215        | 42,640 | 147,094   |        |         |
| 1987    | 4,970,168 | 3,739,706     |           | 735,915        | 47,731 | 168,433   |        |         |
| 1988    | 8,520,068 | 3,763,651     |           | 733,410        | 60,565 | 3,532,070 |        |         |
| 1989    | 4,244,533 | 3,232,421     |           | 811,929        | 61,938 | 77,820    |        |         |
| 1990    | 4,014,670 | 3,029,570     |           | 799,994        | 66,661 |           | 56,070 |         |
| 1991    | 3,772,391 | 281,868       | 2,499,835 | 805,803        | 63,971 |           | 49,011 |         |
| 1992    | 1,578,846 | 289,226       | 88,375    | 1,002,696      | 66,979 |           | 56,418 |         |
| 1993    | 1,624,180 |               | 98,270    | 967,603        | 70,243 |           | 56,411 | 306,728 |
| 1994    | 2,290,099 |               | 58,683    | 795,723        | 42,563 |           | 31,271 | 276,055 |
| 1995    | 3,780,588 |               | 1,039,439 | 833,223        | 42,563 |           | 31,271 | 275,865 |
|         | A         | B/A           | C/A       | D/A            | E/A    | F/A       | G/A    | H/A     |
| 1984    | 4,172,948 | 86.55         |           | 5.50           | 1.20   | 1.23      |        |         |
| 1985    | 4,681,509 | 72.34         |           | 14.00          | 1.03   | 7.26      |        |         |
| 1986    | 4,572,688 | 75.19         |           | 14.92          | 0.93   | 3.22      |        |         |
| 1987    | 4,970,168 | 75.24         |           | 14.80          | 0.96   | 3.39      |        |         |
| 1988    | 8,520,068 | 44.17         |           | 8.61           | 0.71   | 41.46     |        |         |
| 1989    | 4,244,533 | 76.15         |           | 19.13          | 1.46   | 1.83      |        |         |
| 1990    | 4,014,670 | 75.46         |           | 19.93          | 1.66   |           | 1.40   |         |
| 1991    | 3,772,391 | 7.47          | 66.27     | 21.36          | 1.70   |           | 1.30   |         |
| 1992    | 1,578,846 | 18.32         | 5.60      | 63.51          | 4.24   |           | 3.57   |         |
| 1993    | 1,624,180 |               | 6.05      | 59.57          | 4.32   |           | 3.47   | 18.89   |
| 1994    | 2,290,099 |               | 2.56      | 34.75          | 1.86   |           | 1.37   | 12.04   |
| 1995    | 3,780,588 |               | 27.49     | 22.04          | 1.13   |           | 0.83   | 7.30    |
| Average | 4,018,557 | 58.99         | 21.59     | 24.84          | 1.77   | 9.73      | 1.99   | 12.74   |

Note. Adapted and translated from the budget statement of the MCS by the Economic Planning Board and the MCS between 1984 and 1995. A: Total Budget of International Sports B: International Connection C: World-Korea Sport Competition D: Sport Diplomatic Activity E: International Competition Management F: Support Business of 1986 Asian & 1988 Olympic Games G: Spreading Effect of 1986 Asian & 1988 Olympic Games H: International Sport Interconnection

The Sport Diplomatic Activity was the business related to support sport competitions for Korean people living in foreign countries, help encourage sports participation in sport poor countries, and exchange sport activities with community countries. Thus, it can be considered that this business was sort of a lobbying activity to spread the name of Korea to the rest of the world. Since 1984, the budget amount

allocated to this business increased over 263.03% [ $(\$833,223 - \$229,513) / \$229,513 * 100$ ], although annual budget allocations fluctuated a great deal (see Table 16, column D). Therefore, it can be concluded that this business was largely influenced by the elite sports even though the entire budget of this business was not used for the elite sports.

The International Competition Management was a business which managed the briefing room for international sport competitions, checked the environment for these competitions, and hosted a welcoming party for award athletes in these competitions. The budget amount allocated to the International Competition Management fluctuated between 1984 and 1995. There were no particular findings in the budget allocation for this business.

The budget allocation for the Spreading Effect of 1986 Asian and 1988 Olympic games fluctuated a great deal between 1984 and 1989 (see Table 16, column G). The special feature was that the budget allocation between 1987 and 1988 increased over 1997.01% [ $(\$3,532,070 - \$168,433) / \$168,433 * 100$ ]. Following the 1988 Olympic games, this business was no longer included in the budget. Therefore, it can be concluded that the Spreading Effect of 1986 Asian and 1988 Olympic Game was primarily established and funded to support the 1988 Olympic games which primarily served elite sports.

The International Sport Interconnection which was budgeted for the Korean Alpine Federation and the World Taekwondo Federation, was initiated in 1993 (see Table 16,

column H). Since 1993, the budget allocation for this business decreased 11.18%  $[(\$275,865 - \$306,728) / \$275,865 * 100]$ .

Conclusively, when the budget allocation of the International Sports was considered, most of the budget allocation for the International Sports was used to host international sport competitions and to support participation in these competitions. Also, the Korean government used sports as a political tool to form relationships with other countries. Therefore, the International Sports budget was directly and indirectly related to elite sports. Additionally, International Sports went through difficulty with funding because in order to initiate the World-Korea Sport Competition in 1991, the Korean government decreased the budget amounts allocated for other businesses.

#### Rural Sport Facility

The budget for the Rural Sport Facility averaged 29.48% of the entire MCS budgets between 1984 and 1995 which was the highest under the MCS functional classification (see Table 9, column G).

One of the major projects funded under this area was the Seoul Complex Stadium. This facility is where the 1986 Asian and 1988 Olympic games were held. In order to build this stadium, the Korean government spent \$8,921,250 between 1983 and 1984 (see Table 17, column B).

It is no exaggeration to say that the budget allocation for the Sport Facility between 1984 and 1987 was used exclusively for the 1986 Asian and 1988 Olympic games. In addition, the budget allocation for this business fluctuated a great deal because the

Korean government built sport facilities in accordance with sport competitions. When the number of facilities constructed in 1995 was analyzed, it could easily be seen that the

Table 17. Rural Sport Facility in the Economic Character Classification

| Year    | A          | Main Businesses |            | Portion (%) |
|---------|------------|-----------------|------------|-------------|
|         |            | B               | C          |             |
| 1983    | 10,812,500 | 5,625,000       | 3,187,500  | 35.42       |
| 1984    | 20,923,750 | 3,296,250       | 17,627,500 | 50.45       |
| 1985    | 21,875,000 |                 | 21,875,000 | 39.38       |
| 1986    | 13,750,000 |                 | 13,750,000 | 28.57       |
| 1987    | 20,575,000 |                 | 20,575,000 | 38.00       |
| 1988    | 11,263,759 |                 | 11,263,759 | 23.66       |
| 1989    | 19,562,500 |                 | 19,562,500 | 36.07       |
| 1990    | 18,656,250 |                 | 18,656,250 | 34.04       |
| 1991    | 13,968,750 |                 | 13,968,750 | 23.02       |
| 1992    | 15,118,750 |                 | 15,118,750 | 19.20       |
| 1993    | 17,041,250 |                 | 17,041,250 | 21.24       |
| 1994    | 17,532,500 |                 | 17,532,500 | 21.56       |
| 1995    | 16,882,500 |                 | 16,882,500 | 18.60       |
| Average | 16,766,347 | 4,460,625       | 15,926,251 | 29.48       |

Note. Adapted and translated from the budget statement of the MCS by the Economic Planning Board and the MCS between 1983 and 1995. A: Total Budget of Rural Sport Facility B: Seoul Complex Stadium C: Sport Facility

investment for "sports for all" was not addressed (see Table 18) because the majority of these facilities were used for elite sport competitions.

Table 18. Types of Facilities Budgeted in Sport Facility in 1995

|             | District Sport Facility |           | Recreational Facility |           | Winter Sport Facility |           |
|-------------|-------------------------|-----------|-----------------------|-----------|-----------------------|-----------|
|             | Play Ground             | Gymnasium | Play Ground           | Gymnasium | Skiing Ground         | Ice rink  |
| Number      | 7                       | 15        |                       | 1         | 1                     | 3         |
| Budget (\$) | 2,760,000               | 5,085,000 |                       | 2,875,000 | 937,500               | 5,225,000 |

Note. Adapted and translated from the budget statement of the MCS by the MCS in 1995.

In 1995, the MCS constructed seven play grounds and 16 gymnasiums, but only one gymnasium was built for "sports for all". Therefore, while 82.97% of the entire Sport Facility budget in 1995 was allocated for the elite sports, 17.03% was allocated for "sports for all". This result was additional evidence that the Korean government and the MCS focused only on elite sports.

Additionally, there are four types of sport facilities: public, school, work place, and profit-making facilities. Among them, the facilities which people are able to use are the public and profit-making facilities (see Table 19). Public facilities accounted for only 3.42% of the total number of facilities available in 1994. Although people can use profit-making facilities for a fee, 60.75% of the total number of profit-making facilities were billiard facilities. Therefore, people can not use certain kinds of facilities to improve their sport skills or improve their fitness levels. Also, according to the current condition of sport facilities provided by the MCS, 42.44% of these facilities were located in Seoul, the capital and KyungKi-Do, a satellite district of Seoul. Thus, it can be seen that current facilities were not available for all people.

In conclusion, although the MCS decided to invest in facilities for recreational sports because of the Korean government policy of "sports for all", the MCS continued to focus on constructing facilities to train athletes or to hold sport competitions (elite sports). It could be seen that the budget allocation for the Sport Facility was unstable because the budget allocation was easily changed in accordance with events that related to elite sport competitions. Lastly, when recreational facilities for people were

considered, the number of recreational facilities was very small, and those facilities were in areas that were not accessible to the majority of the people.

Table 19. Total Number of Sport Facilities in Korea in 1994

| Total               | Total  | Public            | School             | Work Place         | Profit-Making      |
|---------------------|--------|-------------------|--------------------|--------------------|--------------------|
|                     | 76,670 | 2,621<br>(3.42%)  | 22,767<br>(29.69%) | 12,861<br>(16.77%) | 38,421<br>(50.11%) |
| Field Track         | 143    | 143 (5.46%)       |                    |                    |                    |
| Play Ground         | 12,932 | 54 (2.06%)        | 12,216<br>(53.66%) | 662 (5.15%)        |                    |
| Gymnasium           | 918    | 164 (6.26%)       | 583 (2.56%)        | 171 (1.33%)        |                    |
| Baseball            | 68     | 20 (0.76%)        |                    | 48 (0.37%)         |                    |
| Bicycle             | 10     | 10 (0.38%)        |                    |                    |                    |
| Swimming            | 657    | 91 (3.47%)        | 128 (0.56%)        | 79 (0.61%)         | 379 (0.99%)        |
| Tennis              | 7,537  | 82 (3.13%)        | 4,862<br>(21.36%)  | 2,378 (18.50%)     | 215 (0.56%)        |
| Skate               | 21     | 13 (0.50%)        |                    |                    | 8 (0.02%)          |
| Rifle               | 150    | 13 (0.50%)        | 137 (0.60%)        |                    |                    |
| Archery             | 190    | 57 (2.17%)        | 133 (0.58%)        |                    |                    |
| Korean Wrestling    | 195    | 8 (0.31%)         | 187 (0.82%)        |                    |                    |
| Horse Riding        | 11     | 10 (0.38%)        |                    |                    | 1 (0.003%)         |
| Rowing              | 8      | 7 (0.27%)         |                    |                    | 1 (0.003%)         |
| Roller Skate        | 188    | 20 (0.76%)        | 6 (0.03%)          |                    | 162 (0.42%)        |
| Bowling             | 802    |                   |                    |                    | 802 (2.09%)        |
| Golf                | 83     | 1 (0.04%)         |                    |                    | 82 (0.21%)         |
| Ski                 | 10     | 1 (0.04%)         |                    |                    | 9 (0.02%)          |
| Complex Gymnasium   | 211    | 28 (1.07%)        |                    |                    | 183 (0.48%)        |
| Golf Range          | 825    | 5 (0.19%)         |                    |                    | 820 (2.13%)        |
| Weight Training     | 2,361  |                   |                    | 872 (6.78%)        | 1,489 (3.88%)      |
| Aerobic             | 2,723  |                   |                    |                    | 2,723 (7.09%)      |
| Martial Art         | 6,707  | 31 (1.18%)        |                    |                    | 6,676 (17.38%)     |
| Table Tennis        | 6,589  |                   |                    | 5,039 (39.18%)     | 1,530 (3.98%)      |
| Billiard            | 23,341 |                   |                    |                    | 23,341 (60.75%)    |
| Small Size Facility | 1,881  | 1,881<br>(71.77%) |                    |                    |                    |
| Others              | 8,129  |                   | 4,515<br>(19.83%)  | 3,612 (28.08%)     |                    |

Note. Adapted and translated from the Condition of National Sport Facility by the MCS in 1994.

### Korean Sports Council

In the MCS functional classification, the Korean Sports Council averaged 27.64% of the entire MCS budgets between 1991 and 1995 (see Table 9, column H).

The General Business was one of the businesses in the Sport Encouragement until 1990 (see Table 12, column B). This business was allocated for the operation of the Korean Sports Council, supporting sport competition groups, and managing the National Athletic Competition. Thus, this business could be regarded as one of the businesses for the elite sports. Since 1991, the budget allocation for this business increased over 15.38% [ $(\$6,633,996 - \$5,749,529) / \$5,749,529 * 100$ ] without any cutbacks (see Table 20, column B).

Table 20. Korean Sports Council in the Economic Character Classification

| Year    | A          | Main Business |            |           |         |         |
|---------|------------|---------------|------------|-----------|---------|---------|
|         |            | B             | C          | D         | E       | F       |
| 1991    | 16,422,896 | 5,749,529     | 8,020,443  | 2,430,066 | 147,859 | 75,000  |
| 1992    | 19,230,210 | 6,044,404     | 9,464,125  | 3,486,353 | 147,859 | 87,500  |
| 1993    | 21,094,181 | 6,046,836     | 11,616,690 | 3,206,664 | 135,628 | 88,364  |
| 1994    | 25,980,975 | 6,266,608     | 16,356,645 | 3,139,973 | 122,065 | 95,685  |
| 1995    | 25,852,309 | 6,633,996     | 15,610,191 | 3,397,268 | 85,108  | 125,746 |
|         |            | B/A (%)       | C/A (%)    | D/A (%)   | E/A (%) | F/A (%) |
| 1991    | 16,422,896 | 35.01         | 48.84      | 14.80     | 0.90    | 0.46    |
| 1992    | 19,230,210 | 31.43         | 49.21      | 18.13     | 0.77    | 0.46    |
| 1993    | 21,094,181 | 28.67         | 55.07      | 15.20     | 0.64    | 0.42    |
| 1994    | 25,980,975 | 24.12         | 62.96      | 12.09     | 0.47    | 0.37    |
| 1995    | 25,852,309 | 25.66         | 60.38      | 13.14     | 0.33    | 0.49    |
| Average | 21,916,114 | 28.98         | 55.29      | 14.67     | 0.62    | 0.44    |

Note. Adapted and translated from the budget statement of the MCS by the Economic Planning Board and the MCS between 1991 and 1995. A: Total Budget of the Korean Sports Council B: General Business C: Special Business D: International Business E: School & Life Sports F: Computer System of National Sport Competition

In five different main businesses, the Special Business was transferred from Sport Science in 1991, and therefore, did not exist as a budget line item until 1991. This business was allocated the largest budget amount which was used for the training expenses of national and youth representative athletes, and the management expenses of

Tae-Neung Training Center. This center trained athletes for national and international elite sport competitions. When the tasks of this business were considered, this business was exclusively for elite sports. Since 1991, the budget amount allocated to this business increased over 94.63% [ $(\$15,610,191 - \$8,020,443) / \$8,020,443 * 100$ ] (see Table 20, column C). Therefore, it can be concluded that even though the policy of the Korean government was changed to "sports for all", the Korean government and the MCS still reinforced the policy of elite sports.

The International Business was managed for international sport competitions, international sport conferences, and sport diplomatic activities. This business was also regarded as one for elite sports. The budget amount allocated to this business was very unstable between 1991 and 1995 because the budget allocation for this business was allocated in accordance with sport competition events (see Table 20, column D).

The School & Life Sports was the only business for "sports for all" in the main businesses of the Korean Sports Council. The budget allocation for this business decreased continuously, and this business went through a dramatic decrease of 73.73% [ $(\$85,108 - \$147,859) / \$85,108 * 100$ ] over the 4 year span from 1991 until 1995. The interesting result was that the School & Life Sports was the only business in which the budget allocation decreased year by year in the five different main businesses.

The business of Computer System for the National Athletic Competition was transferred from Sport Encouragement in 1991. Since 1991, the budget allocation of this business continuously increased over 67.66% [ $(\$125,746 - \$75,000) / \$75,000 * 100$ ]

without any cutback despite the smallest budget allocation in the five different main businesses of the Korean Sports Council.

Conclusively, among the five different kinds of businesses, only one business was truly allocated for "sports for all" and the rest were for the elite sports. While the budgets allocated to the businesses for the elite sports increased, the budget allocation for the School & Life Sports, which was only for "sports for all", decreased since the Korean Sports Council was separated in 1991. As a reminder, the Korean government addressed "sports for all" in 1988, and nevertheless, it can be concluded that there has been minimal efforts to develop the businesses for "sports for all".

#### Summary

In this chapter, the annual budgets of the MCS between 1984 and 1995 were analyzed in accordance with the organizational, functional, and economic character classifications of the MCS budget statements.

By analyzing the organizational classification of the MCS, two facts were found. One was that the budget allocation of the MCS was very unstable, and the other was that the MCS was given a budget allocation that was not large enough to fulfill its purpose. In the analysis of the functional classification of the MCS, most of the seven areas related to sports were budgeted for national or international sport competitions. The Korean government focused very strongly on the Korean Sports Council which was for elite sports. All businesses in the MCS economic character classification were directly or

indirectly related to elite sports with the exception of the Life Sport Encouragement in Sport Encouragement and School & Life Sports in the Korean Sports Council.

In conclusion, from 1984 to 1988, the Korean government and the MCS had definitely focused on elite sports. Since 1988 when the Korean government addressed the policy of "sports for all", the Korean government and the MCS have continued to focus on the development of elite sports. This was clearly demonstrated through the breakdown and analysis of the budget statements of the Korean government and the MCS from 1984 to 1995.

## CHAPTER V

### SUMMARY AND RECOMMENDATIONS

#### Introduction

The purpose of this study was to determine whether the Korean government and MCS have made efforts to carry out their goals and policies to adequately fund "sports for all" through analyzing the MCS budget statements between 1984 and 1995. The budget of the MCS is an annual plan involving revenues and expenditures of the MCS in order to accomplish its various activities. Thus, the policy for sports which was made by the government should meet the people's requirements for public interests. Therefore, it is an essential need to provide a large enough budget to achieve such a policy.

Based on the budget statements of the MCS between 1984 and 1995, Chapter IV analyzed the policy of the MCS in the organizational, functional, and economic character classifications. This chapter will highlight the significant conclusions revealed by this study of the MCS budget statement, and recommend appropriate solutions to solve these areas of concern in the MCS.

#### Summary

##### First Manner Using the MCS Organizational Classification

The Korean government changed policy for sports from its emphasis on elite sports to "sports for all" which emphasized recreational sports for all Koreans in 1988 (Kim, 1995). Therefore, the Korean government has a responsibility to offer proper

opportunities for people's sports. However, the entire MCS budget allocation in the MCS organizational classification was very low. Specifically, the average portion of the MCS budget allocation between 1984 and 1995 was a mere 0.22% of the entire budgets of the Korean government. A more serious problem was that after the new policy of "sports for all" was addressed, the MCS budget portion of the entire Korean government budget did not change.

Another fact revealed through the MCS organizational classification analysis was that the MCS budget allocations were unstable because the MCS budget allocation between 1986 and 1988 decreased (see Table 7). Even though since 1989 the MCS budget allocation increased slightly, it could be said that the actual budget allocations for sports after 1989 did not change or rather decreased because the budget allocation for the youth was moved to the MCS functional classification (see Table 9, columns I & J).

#### Second Manner Using the MCS Functional Classification

The budget classification is an essential framework to analyze policies of the MCS because the budget classification of the MCS is closely related to actual performance of the MCS. Also, after the 1988 Olympic games, the MCS addressed that "sports for all", as well as elite sports would be developed. Nevertheless, the MCS budget allocation for "sports for all" was not changed (see Table 9). The Korean government and the MCS continued to make efforts to develop the Korean Sports Council which was for elite sports (see Table 9, column H). Therefore, it could be concluded that the Korean

government was not focusing on "sports for all" because the priority of the MCS was in reality on elite sports.

### Third Manner Using the MCS Economic Character Classification

Four interesting facts were revealed through the analysis of the MCS economic character classification. First, there was the lack of investment in "sports for all". It was true that the MCS made efforts to encourage "sports for all" because the MCS created the Life Sport Encouragement business. This business was for "sports for all" and the only main business under the Sport Encouragement since 1990 (see Table 12, column E). However, the budget allocation for "sports for all" was still not sufficient because the average portion of the budget for elite sports was 44.42% of the entire MCS budget amounts, but only 2.30% for "sports for all" (see Table 13).

Next, the purpose of the Korean Sport Science Institute is to accomplish a balanced development of elite sports and "sports for all" through advancing and broadening sport skills and programs. However, the budget allocation for the Korean Sport Science Institute was not large enough to develop both elite sports and "sports for all" because while the budget amount for elite sports averaged 46.02%, and the budget amount for "sports for all" averaged 4.21% of the entire MCS budget related to sports, the one for the Korean Sport Science Institute was only 3.90% (see Table 15).

Third, a school is a tool of education, and likewise, a sport facility is a tool for sports. Thus, it is hard to expect the development of sports without sport facilities. From 1984 to 1995, the Rural Sport Facility under the functional classification was allocated

only 29.48% of the entire MCS budget amounts. It is difficult to say whether this portion is low, but after 1989, it can be said that this portion had decreased 18.60% until 1995. In addition, Table 18 showed that the budget for sport facilities was allocated for elite athletes and not for all people. Also, the number of public sport facilities was very low as shown in Table 19. Additionally, 42.44% of total sport facilities in Korea were located in Seoul and KyungKi-Do which are the capital city and the satellite district of Seoul. Such situations mean that the MCS, as well as the Korean government, has not made efforts to develop "sports for all" in all parts of the country.

The last fact was that the budget allocation for the School & Life Sports under the Korean Sports Council was not large enough. In the five main businesses of Korean Sports Council, the business for "sports for all" was only one, which was the School & Life Sports. When the specific roles of the School & Life Sports were considered, the budget amount for "sports for all" was too small. For example, according to the budget statement of the MCS in 1994, the budget amount of School & Life Sports was \$122,065, and the budget for "sports for all" of this amount was \$78,750 (only 0.30% of the entire budget amounts of Korean Sports Council). Therefore, it could be said that the Korean Sports Council in the MCS functional classification existed for elite sports although this council should have managed both elite sports and "sports for all".

#### Recommendations

Based on the findings of this study, the Korean government should study the possibility of the following recommendations.

1. If the Korean government and the MCS concluded that "sports for all" has to be improved for people, they will have to make efforts to develop various areas for "sports for all" such as the Sport Encouragement, Sport Science, and Sport Facility, and fund these effects appropriately or eliminate the policy of "sports for all".
2. Even though the Korean government and MCS addressed "sports for all", the large majority of the budget was still allocated for elite sports. Therefore, the Korean government will have to strongly reconsider the importance of "sports for all" on the side of people's awareness about sport activities.
3. The Sport Encouragement under the functional classification, which is for "sports for all", should be changed to the Sport Encouragement for All People. Currently, the Sport Encouragement had one main business and two other businesses, but the MCS should make two more main businesses and three other businesses related to only "sports for all" under the Sport Encouragement for All People in order to obtain a larger budget allocation for "sports for all".
4. Although a large amount of the budget allocation was used for constructing facilities, the usage of the facilities was for elite sport competitions or sport events. Therefore, the MCS and the Korean government will have to make efforts to increase the number of facilities for people. Also, most facilities are located in Seoul and KyungKi-Do which are the capital of Korea and the satellite district. Accordingly, the MCS has to make efforts to construct facilities for people in rural areas to use. More specifically, to accomplish such responsibilities, the Korean government will

have to reinitiate the Fund Raising for National Sport Encouragement under the Sport Encouragement for "sports for all".

5. In addition to the School & Life Sports, which was the only business for "sports for all" in the Korean Sports Council, the Korean Sports Council will have to create various kinds of businesses for "sports for all" in order to obtain more resources. Also, the Korean Sports Council has been managed with subsidies from the government in most sides such as payment expenses and operating expenses, even though this council is a quasi-government organization. In order to achieve the budget amount of businesses for "sports for all", the Korean Sports Council is required to create various methods for revenues.

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