Seoul: A Dilemma of Modernity or Affordability

How has Seoul's real estate changed due to gentrification and displacement since the late 1900s?

Julia Weatherford
April 9, 2021
An Intro Into Seoul, South Korea

Seoul, South Korea is a growing metropolis city in East Asia that is “home to almost one in five South Koreans,” but the city has only become more expensive as urban development and population increase (Lee). Within the economies of East Asia, South Korea is one of the fastest-growing in the region, alongside Japan and China. Yet, many residents in Seoul that struggle under the effects of unequal housing development feel misplaced and disregarded as the city continues to expand. Over the past several decades, South Korea’s ever-increasing population density has enlarged the urban issues of gentrification and displacement, particularly in Seoul’s wealthy districts of Gangnam-gu and Mapo-gu.
Many middle-class South Koreans feel *they are the voiceless, the invisibles, [and] the forgotten* (Lee)

This StoryMap will take us to each of these two districts, and we’ll additionally look at Guryong Village, a shantytown on the edge of the Gangnam-gu district. However, before going too much further it’s important to clarify what gentrification is and how it affects different groups of people in cities around the globe.

**Gentrification is the process of physically transforming a historically poor neighborhood into a wealthier one by improving housing and developing new businesses.**

In the case of Seoul, gentrification processes have been in place since the early 1970s. They are led by three prime actors - the Korean state, various real estate companies, and property owners. As the city continues to develop, many poor Korean families, as well as starting-off families, have struggled to find a home in a financially affordable place, despite the bustling boom of the Korean economy.

**What is displacement, and how does it relate to gentrification?**

Displacement generally means that “*residents can no longer afford to remain in their homes due to*
"rising housing costs" but it could also mean those residents are being forced out due to their financial, economic, or social conditions (UT Texas)

Gentrification and displacement go hand-in-hand. The reason for this is because as urban areas become more developed, costs of living increase. When the negative pressures of living in a certain area overcome the positive, people leave for different reasons. This act of leaving could be due to the inability to afford housing, societal stratification, or forced eviction.

We will explore these reasons for displacement, and understand how those reasons formed shantytown Guryong Village. Additionally, we'll look at the effects of gentrification on Gangnam-gu and Mapo-gu and explain its importance. It is crucial to understand the inner structure of a city like Seoul, and its future in terms of housing development because the processes of gentrification and displacement all affect the city one way or another.

If you are not familiar with Seoul and what it looks like, below is a lyric video by Korean artist RM singing about his contradicting feelings of living in Seoul. The video highlights what societal issues he believes persist today and provides a recent look into Seoul's modernization, a hot spot for Korean cultural growth and awareness.
After viewing this video, what are your initial thoughts?

What particular issues do you believe he is referring to throughout the song? With the pictures seen throughout the video, what can you conclude about the urban and social society of Seoul?

A General Background of Korea

For much of Korean history during the 20th century till World War II, the country struggled under the colonial rule of the Japanese. Additionally, the country became more divided during the Korean War, with the outcome being a demilitarized zone (DMZ) across the 38th parallel. At a critical moment after the end of the Korean War in 1961, Park Chung-hee was placed into the power of the Korean
government due to a military coup in 1972. Park established an "autocratic regime...under the so-called Yushin Constitution...and imposed martial law on South Korea" (Kim 468). During Park’s years in office, South Korea gained much industrial and economic growth, and it could be argued the country also gained more national security. Despite this, social progress was lost, the Korea National Assembly was dissolved, and media was highly censored and regulated. Not till 1987 would the urban development of Seoul take a huge turn, since it was the year Korea gained full democracy. From then, there have been large improvements in Seoul’s wealthier districts due to gentrification policies, but these policies have also placed socio-economic hardship on poorer families and have been subject to displacement, sometimes even out of Seoul.

Gangnam-gu is one of the most affluent areas of Seoul, made for wealthy celebrities, foreigners, or government workers. Ironically, this was one of the few districts around Seoul before the 1980s that held affordable living conditions for Korean families because it was mainly farmland. The rapid urban increase in the 1980s created an mindset centered on economical growth that made renting, selling or buying housing much more difficult. More so, the need for space for the 1988 Summer Olympics brought a huge incentive to make more housing developmental projects and destroy old ones near Gangnam-gu. These projects created the nearby shantytown of Guryong Village because many families had to relocate after their homes were destroyed and could no longer live in Gangnam-gu.
Overall, displacement became the most prominent output of Gangnam-gu's urbanization, and many families struggled financially and socially as they had to find homes elsewhere or become homeless. Looking at the district today, the process of modernization has proved well for those that can afford to reside in Gangnam-gu because of continuing state intervention and investment in the area.

As said earlier, the development of Gangnam-gu created the shantytown of Guryong Village. Shantytowns are deemed negative portions of society because they are living spaces built out of mud and wood for squatters. Researchers Ha Seong-Kyu and Kwon Ki-Hyun explain their concern that over the past few decades decreasing housing supply and gentrification in Seoul have “[worsened] prospects for low-income residents…and housing
security for original residents, particularly poor tenants,” have become unstable (Ha, Kwon 169). Ha and Kwon support the idea that housing insecurity and inequality rose early in Seoul's growth in the 1970s and 80s, and they expect it to increase as the city becomes denser.

Guryong Village is a similar vision to the Ahyeon-dong area of Mapo-gu, a neighborhood that is also described as a shantytown. As we will look into later, the film “Parasite” supposedly takes place in Ahyeon-dong. This area of Seoul has narrow streets and stairs that people must take to get to their homes, making flooding and other weather-induced issues severely prevalent. In "Parasite" this lack of development forces homeowners to grab buckets to control the force of water damage when it rains. Many also are forced to sleep in temporary facilities because their homes become inhabitable.

Beyond the effects of weather, many still live without privacy and some even live in what are called underground basements, which are noticed in "Parasite" and in modern Seoul today.

"Those who cannot afford to live in wealthier communities sacrifice security for affordable rent, making population density and wealth inequality increase much more drastically in
This StoryMap Will Help You:

1. Understand some areas of Seoul affected by gentrification and displacement
2. Recognize how South Korea is divided in terms of poverty and wage gaps
3. See why housing has caused much disarray within the Korean community, and how it has become increasingly difficult to live in Seoul

"Parasite" And Its Worldwide Impact
"Parasite" from Director Bong Joon-ho premiered in 2019 to tell a story about two different families living in very contrasting areas of Seoul. The Kim's (although not specifically stated in the film) are thought to be living in Ahyeon-dong, a poorer neighborhood in Mapo-gu, while the Park family lives in a wealthier area, maybe near Gangnam-gu. Since its release, "Parasite" has won Best Motion Picture at the Oscars, several Golden Globes, BAFTA Awards, and numerous other rewards. With this internationally popular film, Bong was able to showcase some of the social and economic issues facing urban Seoul, such as poverty, social stratification, and gentrification. Other films by Bong, such as "The Host" and "Memories of Murder", also highlight key concerns in Korean society today.
In this "Parasite" clip from YouTube, you can catch a glimpse of how the Kim family struggles to minimize damage in their flooded home. Meanwhile at the Park's home viewed later in the clip, there is no worry for damage from the rain. The Park's tent sustains without any flooding, which is Bong's metaphorical hint of the socioeconomic divide that Seoul sees. It is ironic to think a tent wouldn't have any damage, but a home would. Bong Joon-ho provided this example to show that different parts of Seoul are built for a modern touch to the city, and some others are left behind.

From this video, you can also see that the Kim's were living in what looked like a "semi-basement." Later in this StoryMap, you'll be able to access an article from BBC that goes into this issue more personally.
Just as a fair warning, there are instances of blood, language, and nicotine in the original flood scene of the movie.

How Is South Korea Divided?

According to The Organization for Economic Co-operation and Development (OCED), the poverty rate in South Korea in 2019 was 17.4%. Additionally, in an article associated with the Borgen Project by Garrett Keyes, there seems to be one apparent issue with poverty in South Korea within the last few years:

"The poverty rate among people who are 34 years old or younger and people who are 65 years old and older have both increased (Keyes)

This information is very important, as it is a suggestion as to why many older people and younger families have issues finding permanent residence in Seoul. As we will see later in the StoryMap, many older South Koreans in poverty have to reside in Guryong Village, which has become an area stereotyped into the "wage gap" of Korea.

The chart to the left reiterates what I stated earlier in this section and will give you a perspective of how South Korea is divided economically compared to other OCED countries. As the population of South Korea grows, so does competition for jobs and age discrimination. This results in older adults, especially women who've had children, struggle to find sustainable work. When these
issues combine, so does the problem of poverty.

Nevertheless, there is more to the economic and social division than just the chart to the left. For a chart that includes the Gini coefficient and income inequality of South Korea, check the link here also from the OCED. The Gini coefficient has become a very efficient way to measure inequality, with a value of 0 meaning everyone has equal income, and 1 being one citizen has acquired all the income.

“\nWhen poverty and wage gaps increase, so does the inability to live in safe, comfortable areas that have been safely developed\\n\\nWhat is "Seoul's Housing Scandal?"

In an article by Choe Sang-hun in the New York Times, "'The Den of Thieves': South Koreans Are Furious Over The Housing Scandal," it is said that previous President Moon Jae-in had done minimal work to fix the serious issue of dwindling real estate in urban Seoul. In Seoul's modern society today, people are not able to have the opportunity to live in the city, as rent prices have become more expensive for smaller homes and decreased apartment sizes. More so, as rent prices rise, so does the amount of poverty that has
affected many South Korean families.

President Moon had a controversial role within what Choe calls the "Seoul Housing Scandal."

In early 2021 the Korea Land and Housing Corporation, which is "the government agency in charge of building new towns and housing" - was suspected of exploiting the Korean government and the housing development programs currently in effect (Choe). Whether or not Moon was actively involved, the result of this news caused outrage within Seoul's community, especially with people who have been struggling under soaring rent prices for years.

Residents stated they were "fed up with corruption and [Moon Jae-
in's] failed policies on runaway housing” expenses despite the President's earlier promise of making a fair and just society (Choe). Additionally, many young families have expressed their concerns that housing in Seoul has become a system of foul-play, where astonishing towers cover up the dark truth of urban slums. What this controversy means to future leadership is unclear.

Source: "President Moon Jae-in" by Republic of Korea is licensed under CC BY-SA 2.0

South Korea's soaring property prices squeeze middle-class

This YouTube video from Reuters, South Korea's soaring property price squeeze middle-class, showcases a common situation that many young South Korean middle-class families are currently facing due to rising living costs.
With the worry of rising corruption in the Korean government when it comes to housing and real estate development, many Koreans are worried that they will not be able to start or support families in Seoul in the future. Many families are having to leave Seoul entirely, just to find affordable housing in nearby cities such as Incheon.

Inside this video called *Life Inside a Goshiwon: Seoul's Smallest and Cheapest Room for Rent | THE VOICELESS #22*, Asian Boss interviews Hwang Hyun-dong, a university student in Seoul living in a goshiwon (about 70 sq. ft) for only $300 United States dollars per month. If you think about it, this could be the size of a bathroom or a small storage unit.
A goshiwon is a convenient way to save money, seeing that Seoul is becoming one of the most expensive cities in the world next to New York City, Tokyo, or Paris. Even so, this financial leeway is at the expense of being comfortable and having privacy.

From this video, you will catch a glimpse of what many young Koreans, especially those in school, must do to be able to live in Seoul and have the benefits of the area. In many cases, many young Koreans have to live with their families even after graduating college because they cannot yet afford to live on their own yet.

---

Gangnam-gu and Guryong Village: Polar Opposites

Gangnam-gu (강남구), when roughly translated to English, means "South of the (Han) River." It is considered the Beverly Hills of South Korea, because of the districts' fast-paced and exciting atmosphere. However, before the 1980s, Gangnam-gu was one of the least developed areas of Seoul, with most of the area being farmland for fruits and vegetables. This area is a strong example of gentrification in Seoul, as the area became an economic powerhouse through the Korean government’s encouragement of using the farmland for soaring skyscrapers. Additionally, since the process of gentrification, Gangnam-gu has gained much recognition, becoming one of the most spotlighted areas of the city with café's, clubs, Korean BBQ hot-spots, and even plastic surgery clinics!

The Transition of Gangnam-gu

Below are pictures to show how much Gangnam-gu has changed since the 1970s. The black and white picture is from 1972, a typical
view of Seoul before development projects by the Korean government began. The picture to the right is an area near what today is known as the Gangnam Bus Terminal, pre-1988 Summer Olympics. Under these pictures is what Gangnam-gu looks like today, after the multitude of processes in regards to urbanization and gentrification.

Gangnam-gu (Before Development) | "40 Years of Gangnam, Exponential Growth" by Seoul Museum of History is in the Public Domain
How much does it cost to live in Gangnam-gu?

To gain a sense of how much rent of a typical Gangnam-gu apartment, home, or villa would be today, check out these listings provided by Ace Realty. This website contains information about features in each respective listing as well as living spaces for other Seoul districts and neighborhoods.

Being able to live in Gangnam-gu is a dream for many South Koreans, as it seems to be a center of life for all who live there, especially for South Korean celebrities. In many cases, it can be compared to the luxurious neighborhoods of the United States. As we'll look into later in the StoryMap, we will compare how much an
apartment of similar characteristics is priced in Ahyeon-dong and explain the reason for the differences.

But what is Guryong Village?

Guryong Village (구룡마을) was first formed in 1988 by squatters who were evicted from their homes as the development for the 1988 Summer Olympics began. Today, Guryong Village is about 70 acres and is considered a shantytown. Many of the residents, especially the elderly, live without any governmental assistance, but for those that do receive assistance, it is only enough to buy a few necessities a month.

Since the 1990s till now, developers have been scoping the area,
hoping to potentially build apartments for a redevelopment plan that has been discussed by the Korean government. What this means for the residents of Guryong Village is daunting, especially if most have nowhere else to go if any of the redevelopment plans are completed in the next few years.

Below is a video you can briefly view to see a section of Guryong Village and gain a sense of how residents live here daily. As you will see from the video, people who live here have access to utilities such as water and electricity, but in many cases, the construction of these utilities causes unsafe conditions that can lead to fires. More so, there are issues of insects and rats, but it is difficult to keep these issues under control without causing damage to the housing structures.
As I mentioned above, the Korean government has been involved with Guryong Village for quite a while now. To explain the attempts by the Korean government to destroy Guryong Village, refer to Lee Jeong-ho's 2020 Bloomberg City Lab article concerning the shantytown. There, Lee explains that there have been new bids to create housing and refurbish the area in efforts to grow Gangnam-gu's size and decrease South Korea's poverty rate. However, it is also part of the government's plan to expand the economic powerhouse of the district and attract more tourism.

"President Moon Jae-in plans to place 4000 units of subsidized housing on the land...[in hopes] of reducing poverty and yawning inequality (Lee)"
Inside The Walls Of Ahyeon-dong

Ahyeon-dong (아현동) is part of the Mapo-gu district in Seoul. The reason we are looking into Ahyeon-dong is that it was most likely part of the film "Parasite," which we discussed earlier in this StoryMap. What is interesting about this neighborhood is that it is located in the fairly wealthy and gentrified district of Mapo-gu, where several universities, as well as the Seoul World Cup, reside. However, going back to "Parasite," and the concept of gentrification, Ahyeon-dong is one of the neighborhoods that has not progressed as much as the neighborhoods in Gangnam-gu or the nearby neighborhood of Seogyo-dong have, which are both considered to be "youthful" sights to Seoul. Many families in Ahyeon-dong must live in densely populated streets, and some live in basements, as seen in this article here from the BBC.
On the left is a street view of the Ahyeon-dong Post Office, while the right is a view of a street in Hongdae, a place in Seogyo-dong just a few minutes away. While both these places seem urbanized, there are more issues beneath the surface. Neighborhoods like Ahyeon-dong are affected negatively because while money goes to wealthier, more desirable places, poorer communities struggle because they are not prioritized as much. More so, since Hongdae is a popular attraction for tourists and college students, the area is particularly wealthy. However, in recent years, the Korean government has devised some social housing programs that "systematically operates and manages the housing community by establishing the self-government rules by the tenants" (Chung 8). The main problem that surrounds this plan is ensuring that different areas of Seoul are offered this plan and not just one region.
As we looked into earlier with Gangnam-gu, I want to provide you with the rent of different listings on Rent Berry in the district of Mapo-gu, where Ahyeon-dong resides. Mapo-gu is also full various universities, making it a popular place for students to shop and meet up. However, despite the thrilling atmosphere of certain neighborhoods like Hongdae, neighborhoods like Ahyeon-dong struggle with poor conditions that induce unhealthy conditions. In many ways, the area could even be described as a version of a small shantytown. In the end, like any urbanized city, there are certain areas that are behind the others.

The desirability, status, and appeal of living in Gangnam-gu are much higher, meaning people will pay more for rent since the accessibility and reputation of the area is more pleasing. As we conclude this StoryMap, it is easy to see that while Gangnam-gu is a luxurious area full of excitement, it is relatively difficult to live there without complying to pay a serious amount in rent.

---

**Want to learn more about Seoul?**

Seoul is a very large, dynamic city that carries much history that this StoryMap doesn't entirely cover. There is much more to learn about South Korea's culture and society that goes beyond this presentation. Because of that, I wanted to provide some extra information below to look into if desired.

**Urban Planning:** This website from the Seoul Metropolitan Government will go into very different urban policy plans for Seoul, such as housing regeneration, architecture plans, and even road improvement.
Visit Seoul: This website will give you some insight on what to do in Seoul, and what cultural events you might want to see.

Seoul City Tour: Filmed by Expedia, this video goes into a brief history of Seoul and provides you with a guide on what to do there.

History of Seoul: If you are interested in the history of Seoul, you may want to check out this website called Seoul Solution. Here, they give you a more complex background of the urban development of Seoul.

---

**Personal Experience in Seoul, South Korea**

In the fall 2021 semester, I had the opportunity to travel to Seoul to study abroad at Korea University in the northeastern district of Seongbuk-gu. I was able to personally experience the pros and cons of living in a newly urbanized city. For anyone looking to study abroad in Asia, I would highly recommend visiting South Korea. With a uniquely historical and culturally rich society, I was able to go beyond the boundaries of a typical study abroad experience.

Below are some of the photos of my adventure in Seoul. On the left is a view of Anam-dong, the neighborhood I stayed in during my time in Seoul. I noticed that neighborhoods near universities were much more lively and had more places to try in terms of food and cultural activities. To the right is a sight of Seoul from the Lotte World Tower, one of the tallest buildings in the world. From the tower, you can see the district of Gangnam-gu. You can also see the high-rise buildings as the city become more dense. Nevertheless, it was a beautiful view of Seoul during the sunset.
Next are some pictures of Myeong-dong, a popular area in Seoul. Before the COVID-19 pandemic, Myeong-dong was both a large tourist and local spot, having street food stands, Michelin restaurants, and various shops everywhere. I was able to see firsthand how much the area has suffered from a lack of tourists and consumer demand. Block by block, I had seen businesses gone or declining. Despite this, by the end of my trip in December 2021, it looked like many food stands were starting to open again, which was a great sight to see!
For the end of this section, I would like to add some of the fun aspects of Seoul that I experienced. To the left is a picture of myself at Gyeongbokgung Palace. My study abroad program provided this activity and I was able to learn about the significant background of the Korean traditional *hanbok* clothing. I also learned how it is incorporated in Korean society today, and why it remains a crucial part of the Korean identity. To the right is a picture of the "I Seoul U" sign (Seoul's motto) by the southwest portion of Hangang River. This place was exciting to visit and many people were having ramen picnics near the landmark!
Some Concluding Thoughts

Overall, Seoul has many areas of real estate that have contributed to the city's overall reputation and development. Despite many areas like Gangnam-gu, where the quality of living is high, schools are desirable, and shopping is convenient, the district still struggles from the effects of gentrification. These issues include ever-increasing rent prices, car traffic, and the undesirable and unsafe conditions of the shantytown in Guryong Village.

While gentrification is a situation that does boost the economy and provides stability to communities that can afford it, areas like Ahyeon-dong and Guryong Village are the results of development that have not catered to the communities' social and financial needs. In reality, gentrification and displacement can affect anyone anywhere, it could even be happening in your local community. It is
a matter of wanting convenience and aesthetics that drive the continuation of gentrified policies that will either make or break cities around the globe.

After my personal experience in Seoul, I can see the financial troubles of living in a city with a large population. Many apartments are extremely small, and privacy is not prioritized. I also had the chance to speak to some Korean students who currently go to Korea University, stating that it was even too expensive to live in Anam-dong (where the university was located). So, in reality, how can you find the most relatively affordable areas of Seoul? Although this question doesn't have a clear answer, following my research and time in Seoul, I believe that for the city to continue safe economic and social development, the government should also consider the challenges that come with increasing housing prices, such as the aging society and unemployment. These issues are the two of the most prominent concerns for the economic powerhouse today, as places all around Seoul are becoming less accessible.

Credits for Articles and Videos:


