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**Good Credit and Bad Associations:
Colonial Policies and Local Credit Networks in Korea, 1876-1932**

Financial associations (K. *kūmyung chohap*; J. *kin'yū kumiai*), commonly understood to be Korea's first nationwide network of banking institutions, were introduced under the Japanese protectorate government in 1907 and promoted by the colonial government throughout its rule in Korea. However, they were not the first organisation in Korea to provide credit to rural communities. For centuries, credit circles (*kye*) and village granaries (*sach'ang*) had played an important role in supplying local producers with credit and loans. Thus, when the colonial government attempted to establish the financial associations within Korea it did so in competition with pre-existing financial networks.

This paper will examine financial practices in Korea around the introduction of the financial associations. Looking at both the legal framework supporting *kye* and financial associations, as well as the social and moral discourses surrounding the two, I will consider how the colonial state sought to influence economic behaviour among the general population. The colonial government promoted financial associations not just in financial terms but as organisations that encouraged “good” practices, such as regular savings, in contrast with *kye* and granaries that supposedly induced dependency and exploitation through high interest rates. Despite colonial claims, however, the financial associations did not replace *kye* and the boundaries between the two were often blurred. Through an examination of the financial associations and *kye* in the Kyōngsang region, this paper will reexamine the relationship between the two, their economic role in local communities, and the limits of the colonial state's ability to manipulate lending practices.