Korea Confronts Globalization

Edited by
Chang Yun-Shik, Hyun-Ho Seok and Donald L. Baker

Routledge Advances in Korean Studies

Korea Confronts Globalization

Korea Confronts Globalization looks at the way in which the phenomenon of globalization has impacted on Korean society in terms of national identity, corporate change, labor markets, democracy, tradition and social policy, and at the implications for Korea's social cohesion in a continually globalizing world.

While becoming more open to the outside world, South Korea has remained a cohesive national community with a strong nationalist reaction against the globalization of Korea, and with Koreans constantly reminding themselves of the need to retain their national identity. They have also learned to cope with various forms of conflict arising from diversified interests in a complex society, and the South Korean government is now making a serious attempt to establish a welfare state with various schemes designed to help the poor and needy to maintain a minimum level of "decent" living. But it is uncertain whether South Korean society will continue to remain cohesive. Social inequality is increasing and the class divisions appear to be hardening; as such, can Korea remain cohesive?

As a volume looking at the political and social implications of globalization in modern South Korea, this book will be of great interest to students and scholars of Korean and East Asian studies, comparative sociology, development studies and politics.

Chang Yun-Shik is Professor Emeritus of Sociology and the former Director of the Centre for Korean Research (1993–2001) at the University of British Columbia. **Hyun-Ho Seok** is Professor Emeritus in the Department of Sociology and the former Director of the Survey Research Centre at Sungkyunkwan University. **Donald L. Baker** teaches Korean history and religion in the Department of Asian Studies at the University of British Columbia, where he holds the Canada-Korea Business Council Chair in Korean Civilization.

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Foreword

Pitman B. Potter

This volume presents research findings concerning the effects of globalization on social cohesion in Korea. The research was conducted in connection with a project of the Institute of Asian Research at the University of British Columbia entitled *Comparative International Studies of Social Cohesion and Globalization*. Supported by a strategic grant from the Social Sciences and Humanities Research Council of Canada, the project focused on research and knowledge-building on issues of globalization and social cohesion in five countries of Asia, namely China, Indonesia, Japan, Korea and Sri Lanka. This volume on Korea has been prepared under the direction of Professor Chang Yun-Shik (University of British Columbia), Professor Hyun-Ho Seok (Sungkyunwan University) and Professor Donald Baker (University of British Columbia). The context for this important work can be understood by reference to the broader dimensions of studies of globalization and social cohesion.

Perspectives on globalization

Globalization has been a feature of the human condition for several centuries. In recent years, particularly in the aftermath of the Cold War, globalization conditions have accelerated, with increasingly permeable national borders easily penetrated by flows of capital, people and information. To a large extent, this process has been justified by ideologies of liberalism and concomitant support for free markets, free trade and freedom of ideas.

Globalization is not the same as *internationalization*, which presupposes cooperation and interaction among autonomous nation-states, but rather is a process by which the state itself is challenged (Sassen 1993; Chomsky 1994; Held *et al*. 1999).

The phenomenon of globalization may be addressed in terms of material and ideological dimensions, recognizing that these are at once intersecting and yet possessed of distinct features. Material aspects of globalization extend to changing contents and processes of print and electronic media; diet and dress; economic, business and financial structures and processes; relationships between labor and capital; knowledge and technology; and many other operational elements of globalization. These material dimensions create new opportunities and

expectations for exchange and communication. As well, the material dimensions of globalization encourage a self-supporting value system that privileges some and marginalizes others based on their access, familiarity and facility with these material dimensions. Material dimensions also contribute to and derive from ideological dimensions.

Ideological dimensions include official and popular attitudes and rhetoric on social, political and economic organization and behavior, and other expressions of norms, values and beliefs that both inform and derive from material elements. In particular, the discourse of globalization also describes the spread of liberal ideals of individualism, autonomy and capitalism around the world (see, generally, Jayasuriya 1993; Trubek 1994: 407–498; Jameson and Miyoshi 1998; Woodwiss 1998; Barry and Keith 1999; Potter 1999: 177–190; Tomlinson 1999; Ginsburg 2000; Lechner and Boli 2000; Rajaee 2000).

Dimensions of social cohesion

Although the prerequisites and conditions for social cohesion are not well understood, its absence can be identified by reference to dimensions of conformity and diversity on political and socio-economic conditions, and by instances of social disorder. By relying on various dimensions of social cohesion, the project builds on existing literature addressing social cohesion generally. However, rather than assuming that diversity has a potential for social conflict or contributing factors to social cohesion (Hirschman 1994: 203–218),the project hopes to identify how complementarity between conformity and diversity can contribute to social cohesion under different conditions (Useem 1980: 357–369). The complementary relationship between conformity and diversity may contribute to localized perceptions of and resolutions to issues of social cohesion by reference to the importance of building social capital (Blakely, n.d). Approaches to complementarity may also help resolve the issue of perception, which is seen as a critical component in the feeling of belonging that is an important dynamic of cohesion (Bollen and Hoyle 1990: 479–504). This project examines these various factors in a cross-national context to generate understanding of the global dimensions of social cohesion.

Understanding the relationships between globalization and social cohesion requires an international comparative approach that generates data and analysis on conditions in a diverse array of countries and societies. The experience of Western liberal states with globalization is mediated and eased significantly by the commonality of legal and political institutions. In Asia, by contrast, the governing legal and political institutions are either indigenous and relatively alien to the liberal tradition or imposed through a process of colonialism and neo-colonialism and thus also in conflict with the notion of the supremacy of liberalism. In addition, Asian states and societies embrace a wide variety of economic, social and political conditions. Moreover, in part as a result of their increased participation in the globalization process and also due to their rapid economic growth, the conditions of specialization of labor that Durkheim

identified as an important factor in social cohesion are evident as conditions of transition.

This volume on globalization and social cohesion in Korea includes reports on such issues as the status of women, labor and migration, democratization, changing norms and values, and welfare reform. It suggests that globalization's impact has been in the interplay of politics and society in the context of changing values. The Korea study suggests that the influence of pre-existing norms and power relations remains strong, while regional differences also influence the ways that globalization affects local populations. This study provides a local example of the effects of globalization on social cohesion and civil society. We believe that, in addition to complementing the other country studies on China, Indonesia, Japan and Sri Lanka produced under this research project, the Korea volume will stand on its own as a useful contribution to knowledge about this important corner of the world where the effects of globalization on local social cohesion remain dependent on local conditions.

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Introduction

Korea in the process of globalization

Chang Yun-Shik

Two major approaches to the study of globalization can be identified. The first is to explore the process whereby the world is becoming a unified system; the second is to focus on each nation's experience in the process of becoming a member state of the world system. There is a growing consensus among social scientists that "the world has been moving toward a world consciousness, a consciousness of something called humanity" (Wallerstein 1997: 93). Wallerstein further elaborates:

> Originally, the globe contained a very large number of distinct and distinctive groups. Over time, little by little, the scope of activity has expanded, the groups have merged, and bit by bit, with the aid of science and technology, we are arriving at one world – one political world, one economic world, one cultural world. We are not yet there but the future looms clearly before us.
>
> (Wallerstein 1997: 93).

One economic world has been more widely known as the capitalist world system (or modern world system) with a common division of labor (Wallerstein 1997: 93). The founders of the United Nations hoped to establish a world government with the goal of maintaining internal peace and security, developing friendly relations among nations and achieving international cooperation. Then there would emerge a global culture or a universal civilization, which implies "increasing consciousness of the world as a whole" (Robertson 1992a: 403) or "the cultural coming together of humanity and increasing acceptance of common values, beliefs, orientations, practices and institutions by peoples throughout the world" (Robertson 1992b: 57).

Nation-states or societies might eventually disappear when the globalization is complete, with the creation of a world community or global village and universal humanity or international man. Until then – it is difficult to tell when, if ever, it will happen – the nation will remain as a sovereign unit, adapting itself to the new world. From the perspective of each nation, globalization is the process whereby it is becoming linked with other nations, with increasing shift from internal exchange to external exchange, influence and pressures. Some

nations lead this process as "imperialist forces", and others follow as colonies or late developers. Still others refuse to join. Inevitable though this process may appear, it is not necessarily beneficial or rewarding to every nation. Some nations may begin as "peripheral states" and promote themselves to "semi-peripheral" or "core" states; other states may begin as "core states" and become "semi-peripheral" states. Globalization demands that members of a nation shift their involvement and commitment beyond the nation-state to the world. While globalization, often considered as Westernization, may be desirable and inevitable, follower nations resist or react against this process rather strongly, for varying reasons. In short, each nation goes through a different process of globalization.

Our focus here is on how Korea (until 1945) and South Korea (after 1945) has fared in the globalization process. This volume is part of a five-nation study, entitled *Exploring Social Cohesion in a Global Era*, which focuses on the globalization process and its impact on the social cohesion of each nation-state. It is widely believed that entrance of a nation into the globalization process inevitably results in restructuring of its social system, challenges or destroys the traditional social order, submerges its cultural identity and dilutes its national consciousness – but how may the nation as a unified aggregate resist this process? How long may the nation-state remain stable, retaining its unique identity?

Korea had long limited its external (diplomatic) relations with China. It was only toward the end of the nineteenth century that Korea became exposed to the world beyond China and was forced to catch up with the industrial West and an industrializing Japan. The government and an increasing number of elites accepted Westernization – broadly defined – as a way of overcoming Confucian "backwardness", and implemented reform measures on various fronts – education, the economy, religion, health care, dress, etc. (see Schmid 2002). This short-lived experience of reform came to an abrupt end when Japan annexed Korea in 1910 (the Protectorate government was installed in 1905). During the three-and-a-half decades between the signing of the Kanghwa Treaty (1876) with Japan and the Japanese takeover, Korea went through significant structural changes: the emancipation of slaves, the abrogation of the distinction between *yangban* elite and commoner, the abolition of the civil service examination system, a shift of emphasis from agriculture to the manufacturing industry as the basis of the future economy, the instalment of a new (Western-style) school system, the establishment of national sovereignty as a constitutional monarchy, the rise of nationalism, and the introduction of the notion of citizenship. Current debates between nationalist Korean historians and "revisionist" social scientists – mostly foreign scholars – on the origins of Korea's industrial revolution, namely whether it began during the dynastic period or the colonial period (see Chapter 10 of this volume), tend to underrate these structural transformations resulting from reform efforts and what they implied for Korea's subsequent development. What would have happened if Korea had not become Japan's colony is an academic question never to be answered, but it should be noted that Korea was ready to break away

from its Confucian past, and its will to "open" (*kaehwa*) the "hermit kingdom" was there. However, Korea became a colony, and since then its linkage with Japan has played an important role its modernization.

After Liberation (1945), the Korean peninsula was split into two. The two Koreas came under the influence of two occupying forces with radically different political and economic systems: the United States of America and the Union of Soviet Socialist Republics. Subsequently, the two Koreas as independent nations launched *kŭndaehwa* (modernization) projects by adopting two different models with aid from their respective superpowers. South Korea accepted globalization as a key to its development, while North Korea chose a self-reliant or autarkic approach.

Globalization in the South Korean context has two different meanings: (1) the long-term gradual process of catching up with the West that began at the end of the nineteenth century, more commonly known as *kaehwa* and later *kŭndaehwa*; and (2) *segyehwa* as a special – unsuccessful – project initiated and carried out by the Kim Young Sam administration to deliberately "globalize" South Korean society. Our focus here is mainly on the former.

This introductory chapter consists of three sections. The first reviews the two processes of globalization that Korea (and later South Korea) has gone through. Here, we will focus on three major historical national projects of *kŭndaehwa* (modernization) that have moved towards globalization, namely the new education campaign, industrialization, and democratization. The impact of these projects on the social structure of Korea will be explored in the second section, while the third section will consider how the structural transformation engendered by the globalization process has affected the traditional solidarity of Korean society.

Historical national projects of modernization

The new education campaign

Enlightenment through educational reform was the first and earliest major program undertaken by the government and civilian elites of Imperial Korea when it was forced to open its doors to the West and Japan. This campaign aimed at introducing the Western educational system to replace the Confucian system, which was accessible largely to male *yangban* elites and had a focus on learning Chinese characters and reading the Confucian classics. The prime objectives were to cultivate a gentlemanly (*kunja*) personality and prepare students for the civil service examination (*kwagŏ*).

Following the Imperial edict on "Building Educational Korea",[1] the government and civic leaders together began building public as well as private schools, modeled on Western schools, with the goal of "providing school education not only for sons of aristocrats but also for children of commoners, thereby cultivating the nation's strength and overcoming the crisis that Korea was facing" (Son In-Su 1971: 27).

It should, however, be noted that at the initial stage Christian missionaries played the most significant role in introducing the Western educational system. A small number of American Presbyterian ministers began missionary work after 1884, building schools and propagating Western education. They built the first boys' school, Baeje hakdang (1885), the first girls' school, Ewha hakdang (1886), and the first medical school, Kwanghyewon (1885); introduced an educational system comprising primary, secondary and tertiary schools; and taught subjects that were unfamiliar to Korean students – arithmetic or mathematics, science, geography, history and physical education (Fisher 1928: 41; Moffet 1962: 143–154). According to a Japanese Government-General of Korea source, "in 1908 there were altogether about 5,000 schools and 200 thousand students – about 1.5 percent of the total population – in Korea" (Son In-Su 1971: 86).

After Japan annexed Korea in 1910, the colonial authorities' view on education was quite different from that of the Korean leaders and Christian missionaries who were building schools. Colonizers adopted an assimilation policy (*doka seisaku*), or a policy of Japanizing Koreans. But if Japanization of Koreans as loyal (and therefore obedient) subjects of the Emperor was a manifest goal of the educational policy, the colonial government was not prepared to see Koreans as well-educated as the Japanese in Japan and Korea. The Government-General effectively eliminated the traditional school system (*Songkyunkwan*, *hyang'gyo*, *sŏwon* and *sŏdang*) and further expansion of Christian missionary schools, and limited the propagation of public education to the elementary school level. The 1944 census, the last conducted by the Japanese authorities, indicates the following figures for education:

- Males educated to primary-school level or higher, aged 15–19, 43 percent; aged 20–24, 33 percent; aged 25–29, 25 percent; aged 30–34, 20 percent.
- Females educated to primary-school level or higher: aged 15–19, 14 percent; aged 20–24, 8 percent; aged 25–29, 5 percent; aged 30–34, 3 percent.

The proportion of those educated to college level or higher had never exceeded 1 percent, and 85 percent of the Korean population aged 15 and above was illiterate in the same year. It is worth noting that, as of 1944, more than 95 percent of the Japanese population aged 15 and above in Korea had received primary-school education and 50 percent reported some high-school education (Chang 1990: 89).

After Liberation in 1945, South Korea made school education a constitutional right. The constitution said that it was the right of every citizen to receive education; and elementary education at least should be provided free of charge. In 1950, a compulsory education (primary) plan was implemented with the proclamation of the Compulsory Education Act. The response of the citizens to this plan was overwhelming, and the government made noteworthy efforts to build more schools. By the end of the decade, more than 90 percent of schoolchildren were attending primary schools. Secondary-school education expanded in pro-

portion to the growth of primary-school education. By 1985, the enrolment ratio of high-school age children (13–18) had reached 90 percent. Although high-school education was not compulsory, it became universal four decades after Liberation. As high-school education expanded, the demand for higher education increased accordingly. In 2000, about 70 percent of high-school graduates were proceeding to universities. The educational level of the Korean population now is one of the highest among industrialized nations. School education has become a prerequisite for becoming a respectable citizen, and a vehicle for social mobility (Dore 1980: 295).

Industrialization

Faced with the sudden invasion of external capitalist forces, at the end of the nineteenth century, government and civilians (landlords, private merchants and wealthy government officials) came together quickly in order to prevent the country's economy or the country itself from falling into the hands of foreigners, and made modest progress – by learning from the foreign business and industrial entrepreneurs – in business ventures and manufacturing industries.

Some progress was made, but this industrialization effort was soon overtaken by Japan when it colonized Korea in 1910. Korea went through the "development" process not as an autonomous unit, but as a peripheral part of the Japanese Empire. These changes in the Korean economy under Japanese authority and auspices closely reflected Japanese colonial policy, in that they were deliberately planned and forcefully carried out by the colonial government, largely with Japanese capital, technology and skilled manpower, and Korean labor.[2] Elizabeth B. Schumpeter estimated the extent to which the Korean economy changed from 1910 to 1940 in terms of various indexes: between 1910–1914 and 1935–1939, the value of total industrial products increased by a multiple of four from 431.4 thousand yen to 1,631.3 thousand yen; that of agricultural products increased by a multiple of 2.2, from 368.7 thousand yen to 810.9 thousand yen; that of total exports increased by a multiple of 16.8, from 25.2 thousand yen to 424.0 thousand yen; and that of total imports increased by a multiple of 18.3, from 29.3 thousand yen to 537.5 yen. The number of factories employing five or more workers grew by a multiple of 14.2, from 442 to 6.287; the number of workers increased by a multiple of 11.5, from 18,487 to 213,092; and the number of market openings rose from 1,146 to 1,509 (see Chang 1971).

Korean entrepreneurs did make a limited contribution to capital formation in this period – about 10 percent of the capital was invested by civilians. There were also 126,396 Korean workers (1940), 27,901 skilled workers (1944) and 7,151 managerial workers (1944). However, as of 1940, 71.5 percent of the Korean workforce was still employed in agriculture.

After Liberation (1945) and becoming an independent republic (1948), economic recovery and development, together with the task of nation-building, became an urgent task for the South Korean government.

Sustained economic growth began with Park Chung Hee's launching of a

series of five-year development plans. Such a nationalistic approach to economic development made it necessary for the government to play an active role in transforming the economy into a modern one. Maximum possible economic growth – "at any cost" – through state-led and export-led industrialization became a principal task for Park Chung Hee's military government (Song 1990: 83). With abundantly available cheap, well-educated manpower, South Korea successfully carried out the economic development project by taking advantage of whatever advanced industrial countries could offer – whether capital, technology, markets, development models, advice or other inputs. Park's idea was to borrow what Korea needed for its industrial growth, but not to let foreigners come in and run the project and, eventually, the Korean economy. The government then created an economic environment in which businessmen could be certain that their productive and export activities would be profitable. Numerous incentives were provided to promote the export of manufactured goods, including unrestricted access to imported inputs, indirect tax and tariff exemptions, reduced charges on overhead inputs, credit, and direct tax preferences. In addition, the government used a variety of promotional instruments: establishing quarterly export targets by commodity, market, and domestic exporters; monitoring potential shortfalls; daily contact with major exporters; interceding in the event of possible difficulties in meeting targets; reviewing monthly the current export performance; and honoring the most successful exporters with the national medal of honor, public presidential commendations, and material benefits – including relaxed tax surveillance (see Chang 1991).

Park stayed in power for 18 years, and his military government successfully undertook three consecutive five-year economic development plans, which transformed South Korea into an industrial nation. What the Park government achieved is now widely hailed as "a miracle on the side of the Han River".

Park died in 1979 and Chun Doo Hwan succeeded him through yet another coup, extending the authoritarian era for another seven years. His coup comrade, Roh Tae Woo, brought an end to the rule of the military government and became president through popular election in 1988. A return to democracy was completed with the election of Kim Young Sam. The South Korean economy continued to grow rapidly, with a brief slowdown caused by the 1997 liquidity crisis. The total value of export was 455 million dollars (US) in 1968. That figure increased to 1 billion in 1971, 10 billion in 1977, 100 billion in 1995 and 150 billion in 2001. The GDP accordingly grew quickly – at 9 percent per annum between 1960 and 1990. This growth has increased real per capita GDP fivefold since 1970, and tenfold since 1953. This output growth, combined with declining rates of population growth, raised incomes so that the average annual income reached US$10,000 in 1995, from US$80 in 1960. The South Korean economy is the fourteenth largest (measured in terms of GDP) in the world economic system. If the Korean economy grew fast, it also transformed itself totally, from being predominantly agricultural to predominantly industrial. The proportion of the labor force engaged in agriculture decreased from 63 percent in 1953 to 11.6 percent in 2000. The industrialization process was also

accompanied by urbanization. During the same period, the percentage of urban residents in the total population increased from 35 percent to 88 percent. With this industrial transformation, South Korea was elevated to the rank of a developed country and became a member of the rich nations' club, the OECD.

We need to take notice, however, of the change in development strategy brought about as a result of the 1997 economic crisis, and its implications for the future development. In 1994, a century after the *kŭndaehwa* (modernization) through Westernization project began, President Kim Young Sam (1993–1998) announced his desire to introduce a deliberately planned globalization project, more familiarly known as *segyehwa* (literally, globalization). The *segyehwa* project was aimed at opening Korea – economically and politically as well as culturally – more widely to the outside world, thus taking advantage of the opportunities the wider world offered for Korea's benefit and thereby making Korea an important actor on the world stage. *Segyehwa* thus conceived was seen as an essential process that every nation had to go through in the twenty-first century, and a means of enhancing the status of Korea in the international community. However, behind the rhetoric surrounding the *segyehwa* project there had been rising pressure, from both within and without, since the 1980s to globalize the South Korean economy – i.e., to open the domestic market to the world and reduce government intervention. Kim's reform efforts, in essence, entailed the gradual retreat from statutory industrial policies in favor of administrative guidance, and a move from the increasing "inefficacy of central economic planning" techniques toward increasing the role of the market (Gills 1996).

Two years into the *segyehwa* drive, South Korea was hit hard by a financial crisis in 1997 when the domestic financial system was not capable of managing foreign loans in the wake of many conglomerates going bankrupt. The IMF bailed South Korea out on condition that the government would undertake radical economic reform – restructuring the management pattern of financial institutions, corporate governance and the labor market; enhancing standards of institutional performance; and opening markets (manufacturing, agricultural, financial and capital) to foreign investors (for details, see Jwa 2001: 221–236). Following the IMF guidelines, the Kim Dae Jung government implemented numerous reform measures in four sectors – corporate, public, financial and labor – with varying degrees of success, but more or less in the direction suggested in the IMF guidelines. This brought the financial crisis under control within a year.

South Korea is in the midst of a so-called paradigm shift from the Asian (or Korean) form of a state-led neo-mercantilist growth strategy to the Anglo-Saxon market oriented neoliberal competitive capitalism. This paradigm shift – liberalization and internationalization of the South Korean economy – "reflects the interaction of global structural forces and domestic factors" (Gills 1996: 3). The most notable aspects of economic liberalization and internationalization or *segyehwa* are trade liberalization (market opening) and foreign investment liberalization.

Democratization

Unlike the above two *kŭndaehwa* projects, democratization is a *kŭndaehwa* project which was not led by the state but by the people and has had a turbulent history. Democracy as a political ideology (human rights, freedom and equality) and a political institution (the division of power into three branches – the president and his administration, an elected legislature, and the judiciary) was first introduced toward the end of the nineteenth century by young reformist leaders returning from the United States. But building a democratic political order in a country which had long been ruled by a monarch is not like building a school or factory. It required a total revamp of the political structure of the Empire, and the Imperial Court and political leaders at the time were not quite ready to commit themselves to this Western ideal.

During the colonial period, the provisional government in China adopted a democratic constitution which outlined an ideal political framework to be adopted by an independent Korea in the future. However, Korean intellectuals and independence fighters at home and abroad were more drawn to Marxism and socialism.

The US military government (1945–1948) was primarily concerned with bringing political stability to the occupied peninsula – or at least to the southern half of it – but did initiate various democratic reforms and provide a valuable lesson in democracy during its occupancy. First, it abolished the "bad" laws enacted by the Japanese Government-General, such as the political prisoner punishment law, the preliminary arrest law, the social order maintenance law, the publication law, the protection and monitoring of political prisoners act, the shrine act, and the judiciary rights of the police law. It enacted laws based on the principle of legality and due process, requiring warrants for arrests, the right to be informed of the reasons for arrest, the right to select lawyers, the right of the arrested to communicate with lawyers, the review of the legality of confinement, and a guarantee of the right of bail. It also enacted laws protecting the rights, health, efficiency and general welfare of laborers, prohibiting excessive profit, and protecting public interest and welfare (see Kim Chŏl-Su 1986: 103–112). Many of these laws of the US military government later served as a basis for or were adopted into the constitution of the Republic of Korea. Subsequently, the military government established the legislative assembly as an advisory organ consisting of Korean representatives elected through popular vote.

The first (constitutional) National Assembly was formed in 1948 through a national election under the supervision of the United Nations. The Assembly later elected the first president and adopted a new constitution which provided a framework for a democratic polity. However, the democratic process in South Korea was for a long time vitiated by successive incumbents of the executive office, which was occupied by three autocratic personalities who used it to build their personal power bases for the continuation of authoritarian rule within the democratic political system. They brought the other two branches of the government – the legislative and the judiciary – under control. They also dismantled

local government and silenced all citizens' pressure groups, with the exception of corporate business organizations that tried to restrict the arbitrary power of the government, blocking the development of a civil society. The only real government was the administrative bureaucracy, with the executive office at the top. The president and his administration came to dominate the governing process, with the president becoming a virtual despot. This was the birth of an administrative despotism (de Tocqueville 1945: 316–321).

Authoritarian regime-building eliminated the majority of citizens from the political process, and blocked all venues through which public opinion and demand could be channeled. The citizens' discontent increased gradually, and political dissent and opposition against the government became widespread, consolidating into a growing anti-government or pro-democracy force. Students were the first to become a force of civic disobedience. It is well known that, in 1960, they led the street demonstrations against the authoritarian government. In the 1970s, dissident church leaders joined student activists in democratic struggles, and the student–church nexus became a rallying point for opposition forces. Subsequently, other citizens expressed their support for the movement by organizing anti-authoritarian regime groups or joining the many street demonstrations organized by students and church activists. Those opposition forces continued to struggle for the rejuvenation of democracy in South Korea. Each authoritarian regime was brought down by violent citizen demonstrations – the 19 April 1960 Student Uprising (the First Republic); the Bu-Ma Struggle in 1979, which led to the assassination of Park Chung Hee by Kim Jae-Kyu, the Director of the Korean CIA (the Third and Fourth Republic); and the June Struggle in 1987, which pressured Chun Doo Hwan to step down (the Fifth Republic) and forced Roh Tae Woo, who succeeded Chun, to promise a return to democracy (the June 29th Declaration).

Democracy was revived as a result of the citizens' struggle to save it from extinction. Citizens again elected the president, and presidential power was considerably weakened as other branches of the government regained their autonomy. As full-fledged citizens, Koreans are now actively participating in the political process and making an impact. Civil society has returned, and is growing rapidly with the proliferation of voluntary civilian groups – non-governmental organizations devoted to the promotion of public good, such as social justice, equality, women's rights, environmental protection and so on.

Three major historical projects of *kŭndaehwa* begun at the end of the nineteenth century in an effort to catch up with the "advanced" West and Japan have been more or less successfully completed. The Confucianized kingdom that maintained a close tie only with China is now fully incorporated into the global community. Moreover, there is a deliberate attempt to open up Korea, economically and politically as well as culturally, more widely to the outside world. Korea is actively participating in the process of building a borderless world community and taking advantage of the opportunities the wider world offers for Korea's benefit. Globalization or *segyehwa* is perceived as an inevitable process that every nation has to go through in the twenty-first

century, and a means of enhancing the status of Korea in the international community.

Change and cleavages: the social impact of the globalization processes on the internal structure

How, then, have these globalization processes impacted the traditional social structure molded by Confucian teachings? It is virtually impossible to assess separately what effects each one of those processes has had on the old system, as they are so closely intermeshed with one another. I will therefore identify the most notable structural changes and assess how they are causally linked with those modernization projects. By way of exploring the social cohesion issue of Korea in the context of globalization, we will focus on how the modernization process has rearranged the long-established social order, creating spheres of potential tension and conflict that could undermine societal solidarity.

Modernization processes bring about structural changes in two different ways. First, they require the reordering of the traditional social hierarchy either by making it incompatible with the new social environment or by directly challenging its moral basis and offering a new rationale. "In the 20th Century," said Susan Pharr, "nearly every major political system has been forced, in varying ways and to varying degrees, to come to terms with societal pressures for greater equality and participation" (Pharr 1990: 6). Notions of equality (an essential component of democratic ideology), and new membership criteria for citizenship that cut across the lines of those traditional status divisions, provide a rationale for "refuting traditional status inequalities that are ascribed, that is, are dictated by age, sex, and other attributes that are beyond the power of the individual to change" (Pharr 1990: 5).

Inequalities in social relations during the thoroughly Confucianized Chosŏn Dynasty – father–son, husband–wife, elder brother–younger brother, king–subjects – were accepted as being natural and legitimate. Confucian ethic texts read by men and women – young and old – at home and school abounded with exhortations and examples of status inferiors obediently following status superiors, thereby maintaining harmonious relationships. Confucian teachings in Korea promoted obedience and deference to superiors as virtues. Disagreements and disputes between status inferiors and status superiors were not condoned and hence not institutionalized – i.e., there were no social mechanisms to deal with such conflicts peacefully. The *kŭndaehwa* projects challenged and significantly undermined the moral basis of the Confucian social order. As discussed above, the struggle to regain national sovereignty overrode traditional status distinctions. The traditional emphasis on status distinction was replaced by a new emphasis on the need for all Koreans to be educated. Democratic constitutions made all Koreans citizens of the Republic, with a set of rights and responsibilities. Egalitarianism – equal rights, equality before law, and equal opportunity – has been one of the most distinctive features of Korean modernization projects.

Encouraged by the new or alternative perspectives on status relations, persons

of a given social position made efforts to adjust their status position vis-à-vis those above. "Thus in everyday life," in the words of Susan Pharr, "those attempting to exercise status-based prerogatives derived from the traditional normative system may find the legitimacy of their claim to power questioned" (Pharr 1990: 11). Struggles to alter terms of traditional hierarchical social relations are spreading rapidly in South Korea.

I will focus on three forms of the struggle for status reversal that arose in the process of modernization in South Korea: generational conflict, gender conflict and regional conflict. We use the term *status politics* for these efforts by citizens to adjust their status position vis-à-vis those above.

While the *kŭndaehwa* projects directly assaulted inequalities in traditional social relations, they created new unequal social relationships and institutional arrangements through structural differentiation. The development of a capitalist market economy, in particular, separates the world of work from the multifunctional family organization and introduces a complex division of labor to promote economic efficiency. This highly differentiated world of work offers a wide range of social positions and roles from which to choose, in principle, according to one's ability, on a competitive basis. According to the French sociologist Emile Durkheim (1858–1919), the basis of social solidarity or the mode of association changes in the course of industrialization. In the pre-industrial stage, the social community is typically small and undifferentiated with a rudimentary division of labor. Community members are comparatively similar in skills and functions, largely self-sufficient (in that they produce what they consume and consume what they produce), and share common beliefs and sentiments. In this type of community, members are bound together by blind acquiescence to the dictates of public opinion and tradition, or "collective conscience". Such a form of community is characterized by "mechanical solidarity." As a society becomes more industrialized, the community grows larger in size and becomes more differentiated, with a well-developed division of labor. Individuals with diverse skills, personalities and functions are held together by an "organic solidarity" rooted in their need for each other's services, or the functional interdependence of the various parts of their community. In a human association in which people pursue highly specialized and developed skills and functions, they need each other's services, complement each other and develop social codes of duty toward each other (Benoit-Smullyan 1948).

While emphasizing functional interdependence among individuals in a differentiated society, Durkheim failed to realize that those individuals who develop specific individual skills and functions also develop specific interests that are not always mutually compatible and complementary. Social positions and roles in the modern industrial world of work also differentiate the typical chance of an individual for "a supply of goods, external living conditions, and personal experiences, thereby creating anew what Weber referred to as 'class situation' " (Weber 1946). The class situation in the industrial world is of a fluid and flexible nature. Those less privileged are well aware of their lot, and constantly make efforts to improve their chances in life. This is a major source of social cleavage,

tension and conflict, and each society has to find a way of dealing with it. This process of managing class situations may be termed *class politics*. There are three forms of social division of labor that are directly responsible for class differentiation and serve as sources of major social cleavages in South Korea: the government/corporate employers and workers; urbanites and country folk; and the rich and poor.

Catching up with the West has not been limited to the adoption of educational, political and economic institutions. The superstructure has also been radically transformed. This change, to some extent, accompanied the changes in politics of status and class discussed above; however, there has also been a continuing effort on the part of elites to replace the superstructure, Confucianized for more than five centuries, with Western religions and ideologies. There has been relatively little conflict between the Confucian superstructure and the imported versions – certainly nothing comparable to the conflict occurring with the replacement of Christianity with Islam or vice versa.

In a democratized industrial society, there is a range of choices in political orientations, values and faiths. Multiple belief systems and values and ideological orientations compete against each other in drawing adherents. They may coexist, but are not necessarily congenial to one another, and serve as other major sources of social cleavage. We will examine differentiation and conflicts in (1) the politics of faiths, (2) the politics of ideology and (3) value conflicts.

Status politics: erosion or revision of traditional orders

Generational conflicts: young and old

In traditional Korea, the generational equilibrium between parents and children was firmly based on the Confucian precept of filial piety. According to this principle, parents give birth to children and then rear them with unending love and care. It is a debt that can never be repaid fully; children can only try their best to do so. Children are expected to stay near their parents and serve them with the utmost care and respect. In their old age, parents should be well taken care of by their sons, and when they die they should be remembered by their children through ritual displays of reverence on various occasions. Children should also ensure the perpetuation of the memories of their fathers for “ten thousand generations” by providing male offspring.

This filial piety norm is essentially suited to the agricultural community, where the family is the unit of production and family land is passed down from generation to generation. Urbanization and the urban way of life, along with the spread of school education, have made it more difficult to practice this. In the farm household, even after the father has retired he retains a claim on the family resources, as his son farms the land he bequeathed. In the urban family of a salaried worker, when the father has retired he may still remain a figurehead but, in reality, becomes a dependent on his son, unless he has enough savings of his own to support his wife and himself.

The decline of the patriarch and matriarch in the extended family has been accompanied by the increasing attention and devotion that the young couple bestow upon their children. With urbanization and industrialization, school education is now a prerequisite for becoming a respectable citizen as well as for upward mobility. Most couples think that their children should receive as much education as possible, and are willing to pay for it. They also do their best in assisting their children to compete at school and in the job market. Parental love for and devotion to their children is replacing their filial obligation to their aged parents.

Outside of the family context, the generational hierarchy is also changing. Generational conflict at the societal level began to become serious with student rebellions against the establishment created by adult generations. The student revolution in 1960, which resulted in the overthrow of Syngman Rhee's government, redefined the role of the university-student generation as the defender of freedom and democracy, which was threatened with extinction by the dictatorship of the adult generation (Seoul National University Student Declaration cited in Yi Che-O 1984: 172). In the students' view the adult generation (and especially those politicians and bureaucrats in the "establishment") was corrupt, inept and s*adaechui* (worshipful of the powerful), and not to be trusted.

The cleavages between the student generation and the establishment continued to grow with the appearance of another undemocratic regime headed by Park, who toppled the fledgling Second (Chang Myon) Republic by staging a military coup (1961). As discussed above, the initial struggle for democracy that began with street demonstrations developed into an organized social movement to build a new society in which people or *minjung* hold hegemonic power. Only a small minority of university students is still holding onto such a radical vision even after Democratization (1987), but the generational rift between students and adults marked by the students' general distrust of the latter continues to exist.

More importantly, former student activists emerged as a new political or ideological force. Many former "movement circle" students entered politics and formed a "progressive" or "reformist" camp in both government and opposition parties, bringing an end to the national politics that only allowed conservative political orientations. Others became labor leaders, judges and prosecutors, academics, journalists, writers and civic leaders. They are spread widely throughout society, and differentiate themselves from the older generation or the "establishment" by being deliberately on the side of lower-class people – laborers, farmers, ordinary citizens, etc. They advocate equality over free competition, state control over the markets versus open markets, welfare over charity, redistribution of wealth from the rich to the poor, and prevention of concentration of wealth into *chaebŏls*. They have been responsible for the election of President Roh Moo Hyon; instrumental in the formation of numerous civil society groups, the progressive left-oriented labor union (DLP) and especially the National Teachers' Union; and, finally, influential in the birth of the Democratic Labor Party and its entrance into the national assembly.

Gender politics: women and men

The globalization process has also changed the gender hierarchy. Confucian teachings first differentiate a man's domain from a woman's: women belong to domesticity and men to the outer world. Within the family, women were expected to go through the three stages of life's course – daughter, wife and mother/mother-in-law. They were also expected to follow or obey men – father, husband and sons – in the family, and not to have any desire to rule or self-govern. The three following principles (*samjongchido*) dictated to women that: "In your own family, you follow your father. When you marry, you follow your husband. When your husband dies, you follow your son. At no time do you act and achieve on your own." This was the ideal image that Confucian elites imposed, primarily upon the *yangban* women – although peasant women were also encouraged to adopt it, and they largely did.

Unlike the filial piety norm, the Confucian idea of womanhood has been directly or indirectly attacked by the *kŭndaehwa* projects. They first destroyed the distinction between men's and women's worlds. Education led daughters away from the home and provided them with a new status as students; they were educated alongside boys. The job market created occupational roles for women outside the home, and some of them became wage-earners. Democratization made women citizens, voters and politicians. Women also became buyers in the consumer market, perhaps more actively involved than men. Information, news and knowledge all became readily accessible to women – as well as to men – through various media, including newspapers, magazines, television and the Internet. Christian churches (Catholic and Protestant) invited women to become church members. The woman's domain is no longer confined to the house, and the outer world is no longer a man's exclusive territory.

However, there is much reluctance and resistance on the part of men to fully accept women as equal partners in the workplace. It is apparent in the occupational roles women are allowed in the world of work, in the positions and levels of the hierarchy of the working world they are allowed to reach, and in wage differentials for the same kind of work. The difficulties that women encounter in the world outside the home clearly reflect the image of women that men have, and that image is being continuously enforced by various social mechanisms which emphasize Confucian male–female distinctions and male superiority (see Chapter 1 of this volume).

Increasingly, however, women are challenging this image and proving themselves to be equally capable members of society. Where there is open competition, women do as well as men or better. There are also increasing numbers of women's organizations and groups devoted to women's causes, and they are emerging as influential political pressure groups. Gender discrimination now is a policy issue, and the politics of gender is led by women, not men.

The politics of regionalism: Chŏllado and Kyŏngsangdo

As shown above, globalization has seriously impacted the traditional social relations based on generation and gender with significant transformative consequences. However, the traditional prejudice against people from one particular region, namely the Honam region (North and South Chŏlla provinces),[3] has not been subject to such change. In fact, it has been strengthened even more as the ruling party has tried to utilize it for political purposes.

In the 1971 presidential election, the opposition party candidate Kim Dae Jung, from South Chŏlla province, who led the democracy movement against the authoritarian regime, ran against President Park Chung Hee, from North Kyŏngsang province. Threatened by Kim's rising popularity, the ruling Democratic-Republican Party decided to appeal to Yŏngnam (North and South Kyŏngsang provinces together) voters' love of their home province and anti-Honam sentiment. The majority of Kyŏngsang voters (60 percent) responded by casting ballots for Park Chung Hee, which contributed decisively to Park's re-election. Chŏlla voters then reacted against the regionalist election campaign by voting for Kim Dae Jung, the Chŏlla candidate (63 percent). This was the start of regional ties becoming a basis for voter alignment in presidential elections. Subsequently, a regionalist voting pattern became apparent in the national assembly election – voters were more likely to vote for candidates from a party led by a president from their own region.

Regionalism also came to play an important role in regime-building. President Park Chung Hee staffed key government posts largely with men from Taegu and the North Kyŏngsang province. Chun Doo Hwan and Roh Tae Woo, also from the North Kyŏngsang province, followed suit, and formed what came to be known as the T-K regime. They established a new style of governance, the *Kyŏngsangdo paekwon chuŭi* (Kyŏngsang-Province-first-ism). Kim Young Sam (from South Kyŏngsang province) and Kim Dae Jung, who had fought against the authoritarian regime led by former military generals, did more or less the same for their home provinces when they took presidential office in 1993 and 1998 respectively. Of course, a regime that comes into power with the support of voters from a certain region, composed largely of politicians from that region, invariably tries to return favors in various forms – government subsidies, development and construction projects, building infrastructure etc. – to the home region for its continuing support, thereby leaving other provinces less developed.

After four decades of regionalistic politics, Korea now has a president who was born in South Kyŏngsang but ran as a candidate for Kim Dae Jung's ruling Millennium Party. His support came largely from young voters with "progressive" political orientations, and from the Honam voters who voted for him not because he was from their region but because his party was considered "their" or "the Honam" party, or the party that would defend or protect Honam interests. Furthermore, President Roh brought in younger politicians, largely former "movement circle" students (not from his home province), to fill key posts and

form an inner circle in the government power structure. In forming the new Roh Moo Hyon regime, political or ideological orientation for the first time played an important role, overriding regional ties. The new generation of politicians came into power with an intention of reforming the established "conservative" (or even "reactionary") political and social order. A transition from the old generation to the new generation is rapidly taking place and, as indicated above, generational conflict characterized by ideological differences, left and right, or conservative and progressive, has emerged as a major source of social division.

The issue of regional prejudice did not disappear completely. Chŏlla politicians publicly point out the "lower" representation of Chŏlla persons in the government, and Kyŏngsang politicians quietly lament losing their hegemonic power. However, it is more likely that regionalism will give way to an ideological divide, as it has never been regarded as a legitimate form of politics.

Class politics

Labor conflict: labor, capital and the state

Class politics in Korea began at the beginning of the twentieth century, when labor disputes took place between foreign entrepreneurs and Korean urban wage-earners who subsequently organized themselves into solidarity groups which later became "labor unions" (*nodong chohap*) (Kim Yun-Hwan 1967).

During the Japanese period, labor relations came to represent an ethnic feud or class war between Korean workers and Japanese employers and managers, and thus increasingly came to be viewed by the colonial authorities as an organized protest against Japanese colonizers. The Japanese government closely monitored labor movements, suppressed collective actions of factory workers, and eventually banned union activities altogether.

When the southern half of the Korean peninsula became the Republic of Korea in 1948, it adopted a constitution which laid a solid foundation for democratic labor rights, guaranteeing workers' rights to form unions, and to negotiate collectively with and take collective action against company or employer (Article 18). However, workers, mostly illiterate, continued to labor without knowing what inalienable rights they were granted, and neither the government nor employers were prepared to encourage their practice. The Federation of Korean Trade Unions (FKTU) came under the control of the government while most of the existing company unions became so-called *ŏyong* unions, practically run and managed by the company.

When Park's government (1961–1979) launched a series of economic development plans, in an effort to keep wages low, it revised the labor law to make it difficult – if not impossible – for industrial workers to exercise their three basic labor rights. When disputes occurred, the government suppressed them with police power. Under government protection, corporate employers did little to improve poor working conditions.

Only in the 1970s did factory workers, mostly women, begin forming

independent company unions, which came to be known as "democracy unions" (*minju nojo*), against "*ŏyong* unions". "Democracy union"-building and labor protest by factory workers spread and helped to revive the independent union movement. In spite of government suppression, this movement culminated in the creation of district and industrial unions and of the Korean Confederation of Labor Unions (KCLU) in the 1990s. The KCLU was officially recognized by the Kim Young Sam Government in 1995. The rise of the KCLU prompted the FKTU to sever its ties with the government – or free itself from government influence – and to become an autonomous national federation of trades unions.

As labor unions have become independent and collective bargaining increasingly organized or guided by the KCLU or FKTU, corporate employers have come to accept unions and regularly negotiate with them regarding employees' demands without relying on the government's assistance. The government also recognizes the national federations as a third group to be involved in establishing labor policies.

Unionization of labor, however, is limited to only 12 percent of the entire workforce. Within this limit, the unionization rate is closely related to the enterprise size: in 1990, the proportions of unionized employees were 81.7 percent for firms hiring more than 500 workers, 54.2 percent for firms hiring 300–499, 40.8 percent for firms hiring 100–299, and 3.0 percent for firms hiring less than 100 workers (Park Yŏng-Bŏm 1993, quoted in Yun Bong-Jun 1999: 43).

Corporate employers now fully accept the three constitutional labor rights of unionized employees as a given. However, they are increasingly claiming that the current wage level for "regular" (unionized) workers is too high for them to be competitive in the international market, and are making various efforts to save labor costs. It is not very likely that unionization will increase in the future. Large firms move their plants to foreign countries where labor is cheap, or replace "regular" employees with "non-standard" workers. Medium-sized and small firms – even though their employees are largely un-unionized – are importing foreign workers. In theory, both "non-standard" workers and foreign workers can unionize themselves, but they do so at the risk of losing their jobs. While it is true that workers have been empowered significantly over the past 60 years through the federalization of labor unions, the majority of them continue to remain at the mercy of their employers and without union protection.

Farmers' marginalization: the urban–rural divide

If the industrial workforce is now being fragmented, farmers have long been marginalized. The land reform (1948–1953) released tenant farmers from the reins of landlords but also, ironically, marked the end of the age of agrarian fundamentalism. Peasants were left to themselves, with a small piece of farm land (an average of 1.59 *chŏngbo*) to make a living. Government-led industrialization went ahead without agricultural development as an integral part of the economic development plan. Agricultural and rural development continued to be largely neglected by the government, even after the developmental era began.

Agriculture did contribute its surplus (educated) labor to the economic development project and provided grain to the urban sector, but there was little cash flow out of rural areas (Mason *et al*. 1980: 210). The ratio of real per capita consumption of farm households to that of urban households decreased from 0.858 to 0.535 (Ho 1979: 648).

The government took notice of this disparity in the late 1960s, when rural support for the ruling parties in elections – presidential and National Assembly – decreased, and decided to remedy the situation. The Third Plan implemented more measures to improve rural conditions: an increase in the amount of irrigated land; adoption of high-yielding varieties of rice; domestic production of fertilizers; greater application of pesticides; mechanization of agricultural production; promotion of the commercialization of agricultural production by improving marketing, storage and processing facilities; housing improvements; rural electrification; and the expansion of village-level feeder roads (see Douglas 1983: 195–197). The government also raised the purchase price of rice and barley to a level above international and domestic market prices, and increased the amount of grain purchased – from 7 percent of domestic rice production in 1960–1969 to 16 percent in the 1970s. More importantly, the government launched the New Community Movement (NCM, *Saemaul Undong*) in the winter of 1971. This movement began as a simple campaign to improve village environments and rural living conditions, but evolved into a spiritual movement with the ultimate goal of instilling in farmers' minds that they had to help themselves in order to overcome poverty and improve living standards.

Agriculture grew at the rate of 7 percent in the 1970s, a rate considered respectable by international standards (Lee 1979: 496). The amount of real income per farm-household doubled between 1965 and 1976, substantially narrowing the gap between the incomes of farm and urban households (Kim *et al*. 1984: 130).

In helping farmers to improve their living conditions, the government, however, was bound by its concern with keeping urban wages low and protecting urban consumers. If the government felt obliged to shift terms of trade in favor of farmers, it also had to hold down the price of grain for urban workers, whose wages were kept deliberately low in order to help Korea's exports to remain competitive in the international market. Furthermore, the liberalization of the import of foreign agricultural products that began toward the end of the Park period proceeded rapidly under increasing pressure, exerted primarily by the US, to open the domestic market. Other trading partners, such as Japan and Australia, also joined the US in pressuring Korea to import their products, including food grains. Farmers now had to deal with a formidable hurdle: cheap, uncontrolled foreign agricultural products that were flooding the domestic market. The urban–rural gap in living conditions began to widen again in the early 1980s, and rural residents continued to migrate to the cities.

The remaining farmers responded by organizing themselves into various groups – district as well as national – to protect their interests against the government anti-agricultural policies and actions. Farmers had also been vio-

lently opposing the *segyehwa* process since the beginning of the Uruguay round, demanding better protection of agriculture and their livelihood. Farmers' organizations even sent their delegates to various international meetings to protest against what they considered to be unfair accords that were shortchanging farmers in weak countries. The farmers' associations, however, have an inherent weakness, because (1) their collective actions (mainly protest rallies) do not have the kind of impact on the national economy that industrial strikes or work stoppages organized by the national federation of industrial labor unions have; and (2) protection of farmers' interests is not a primary concern of the government. The future of South Korea's agriculture thus remains uncertain.

Class and equality: the rich and the poor

Changes in the world of production reshape class structures. South Korea entered the development era as an open, unstratified society (Chang 1991: 113). School education grew rapidly and, with enough educated manpower, entry to the labor market became closely linked to educational achievement. Corporate employers relied on the school system to train needed manpower, and people's level of education became a determining factor regarding whether they became production workers, clerical or professional workers, or executives. The general perception is that men who undertake physical or practical work are paid less than those employing pen and brain and, furthermore, that those who are more educated are paid more than those who are less educated, even if they are doing the same kind of job. There is also an unchanging bias against women who, in the labor market, have been discriminated against regarding pay.

Another factor which contributed to class division was the government wage policy during the development decades. Cheap, educated manpower was regarded as an asset – perhaps the only asset that Korea had in abundance at the beginning of the development era. To maintain this advantage, the government carefully controlled wage levels. For the first two decades, while the economy was growing rapidly, workers' pay remained constant. While maintaining a minimum wage level, the government provided assistance of various kinds – tax benefits, financial assistance, etc. – to corporate employers so they could earn greater profits. The government also decided from the outset to concentrate on fostering a select few firms for large growth. Korea's pattern of income distribution, reputed to have remained stable, is therefore perhaps a myth.

In the early development period (1960–1970) the pattern of income distribution remained relatively stable, probably as a result of what Adelman called the "dynamic redistribution" of a widely diffused educational explosion – i.e., if there is sufficient economic growth in a free enterprise system, with a relatively well-educated workforce, the wealth will eventually trickle down to the bottom (Adelman 1974). No doubt education played a role; however, perhaps Adelman overestimated the trickling-down effect or underestimated the capacity of big corporate organizations to block this process. The more plausible explanation

was that offered by Kim and Yun (1988). *Chaebŏls* strove to keep wealth within their families – in addition to privileges granted to them by the government, they also evaded tax, invested in real estate and bought artwork, etc. In 1991 there was a sense that "the gap in the distribution of wealth was widening", and Amsden attributed this trend to the behavior of the *chaebŏls* who endeavored to keep wealth within their families (Amsden 1991: 75).

In 1995, shortly before the outbreak of the 1997 economic crisis, the highest-earning 20 percent of the population made five times more than the lowest-earning 20 percent. In 2004, the ratio increased to 7.30 (KLI), although it could be even higher than this because it has been long the practice for the rich to disperse their money into various accounts under assumed names (Sŏk Chae-Un 2005: 17).

In addition to corporate owners and executives who are in the business of making money, the top stratum includes many politicians and government officials, especially those in charge of managing public funds and grants, and of business licensing, collecting taxes or auditing business activities. Some medical doctors, lawyers and media persons have also become rich. The rich are drawn together, forming a visible class with their own lifestyle. They belong to exclusive private clubs, become high-end purchasers in the consumer markets – living in spacious "modern" apartments or houses and driving expensive cars (now more often foreign than domestic, since the ban on them was lifted), playing golf, drinking imported wine, wearing foreign designer-clothes and accessories, vacationing in overseas resorts, and going on group tours to foreign tourist sites. The rich provide their children with the best possible private tutoring – the kind that ordinary people cannot afford – and thus a better chance of gaining entrance to first-class colleges and universities, and landing better and more prestigious jobs. Their wealth also enables them to buy added advantages for their children in finding jobs.

Consolidation of the rich is contrasted by the rising sense of relative deprivation of the poor. The poor – wage-earners, the self-employed urban poor and many farmers – are feeling increasingly alienated with the expansion of the income gap and the diminishing chances of upward mobility. Another significant aspect of class division in South Korea is the recent birth of the "new poor" (*sinbin'gonchŭng*) – "non-standard" workers, the unemployed, and credit defaulters. Unlike the "old poor", who are concentrated in a few urban ghettos known as *kkotdongnae* or *daldongnae*, where they have learned to survive with a small income or have become accustomed to the culture of poverty, the "new poor" are educated to at least high-school diploma level, and many have recently fallen to this level from the middle and upper classes. They tend to think that they are in a temporary state of poverty, and expect to regain their middle-class status soon. However, job prospects for the unemployed "new poor" and the possibilities for "non-standard" workers becoming "regular" employees are not high.

The gap between the wealthy and the poor is rapidly expanding, and the defensive solidarity formed by the rich and powerful makes it all the more

difficult for the rest, the middle stratum and the poor, to break out of poverty and climb the ladder of success. South Korea is becoming less of an open society.

Politics of faith, ideology and values

The superstructure of the Chosŏn society had been thoroughly Confucianized over the five centuries of its reign. Only after the opening of ports to Japanese and Western traders at the end of the nineteenth century was Korea exposed to the cultural impact of the West, mostly through Japan, and Korean elites made deliberate efforts to deConfucianize Korea. The Confucian metaphysical foundation of the kingdom and individual ethics began slowly to erode as Koreans eagerly tried to catch up with the "modern" West.

The most important external forces that left lasting effects in this transition were the Christianity (Protestantism) brought by American missionaries in the latter part of the last decade of the nineteenth century, the Communism and Socialism that Korean independence fighters and intellectuals acquired in the Soviet Union and Japan respectively in the 1910s, and the democratic political system introduced by the US military government after Liberation in 1945.

Politics of faith

Unlike in the West, where modernization is linked with the decline of religion (secularization) and the uprooting of magic (disenchantment), in Korea Western science and Christianity were introduced simultaneously and flourished together through mutual reinforcement in their hegemonic competition against the semi-atheistic Confucianism and indigenous folk religion. The impact of Western science and religion on the latter, however, has not been complete. The age-old shamanism is alive and well, and even enlightened Koreans refuse to be disenchanted and abandon local gods.

CONFUCIAN FAITHS IN GODS

In the Confucianized Chosŏn Dynasty in Korea, gods (or supernatural beings) were not assigned a dominant role in the governance of human affairs. At the beginning of the Chosŏn Dynasty Confucianism replaced Buddhism, which had been the official religion of the previous dynasty, Koryo (918–1392). Confucianism, as it was practiced in the Chosŏn Dynasty in Korea, was a more worldly system of belief providing guidelines for proper human conduct. It did recognize the authority of heaven, as the King ruled his kingdom with His mandate and it was believed that heaven closely monitored the King's rulership. However, the heavenly being did not send an apostle as a savior to the world, teaching the gospel, drawing followers and commanding their loyalty. Since the Korean King was not the Son of Heaven, as the Chinese Emperor was, he was not allowed (until the very end of the dynastic period) officially to worship the heavenly being. At the lower levels, though, there was worshiping of two types of

supernatural beings who were believed to protect the welfare of people – community patron gods and ancestral spirits.

Firmly committed to such a belief system, Confucian scholars and politicians in the Chosŏn Dynasty in Korea did not officially recognize any belief system that sought life after death and divine assistance and blessing in pursuing worldly fortune, and thus condemned Buddhism as a heterodox, self-centered doctrine (Chung 1995: 171) with shamanistic practices (Choe Chong-Sŏng 2002) as superstitions (*umsa*). Both Buddhist monks and shamans were banished from the capital, and *yangban* elites (men) were prohibited from seeking their help (See Buswell 1992: 23 and Choe Chong-Sŏng 2002).

On similar grounds, the Chosŏn Court denounced Christianity (Catholic) – when it came to Korea in the late eighteenth century – as "a barbarous", "beastly" and "heterodox" religion (Chung 1995: 35), and urged those Koreans who converted to this alien religion to forsake it. When they refused, they were persecuted.

KOREA BECOMES A RELIGIOUSLY PLURALISTIC SOCIETY

- *Christianity*. In 1884, the first foreign Protestant ministers – mainly American and Canadian – arrived and began missionary work in Korea (Moffet 1962: 32–35).[4] Unlike their Catholic predecessors, they carried out their missionary work without fear of persecution, since their governments, which signed treaties with the Chosŏn government, protected their citizens residing in Korea. Thus Christianity – Protestant as well as Catholic – was accepted as legitimate. The two groups of Christian churches continued their missionary work throughout the Japanese period, and Christianity became a well-established religion in Korea. In 1910, there were about 350,000 Christian converts – 200,000 Protestants and 150,000 Catholics. Toward the end of the Japanese period (1940), the number increased to about 520,000 – 370,000 Protestants and 150,000 Catholics. After Liberation (1945), the Korean Christian population experienced explosive growth, increasing to almost 11.8 million – 8.8 million Protestants and 3 million Catholics in 1995 – accounting for 25 percent of the entire population. Although not well known, Japanese Christian churches also made some contribution to the propagation of Christianity in Korea (see Takeyoshi 1979). The Japanese Congregational Church (Nihon kumiai kirisuto kyokai) built the first Japanese Christian church in Seoul in 1904 for the purpose of "evangelizing Japanese residents in Korea", but their ultimate aim was to extend missionary activity to Koreans and promote assimilation (Japanization) of the Koreans by "making the Christian spirit the fundamental common denominator", thereby achieving "spiritual harmony in social terms between Japanese and Korean people at the deeper level and to the greatest possible extent" (Takayoshi 1979: 405–407).
- *Buddhism*. Another notable religious movement that occurred concurrently with the spread of Christianity was the coming of Japanese Buddhists, who

had goals similar to those of Japanese Christians, namely (1) to provide religious service to Japanese residents in Korea, and (2) to convert non-Buddhist as well as Buddhist Koreans to Japanese Buddhism and to incorporate Korean Buddhism with Japanese Buddhism, thereby creating a religious tie to help the Government-General to carry out the assimilation policy (Hur 1999; Sŏng Chu-Hyŏn 2004; Kim Kyŏng-Chip 2005). In 1920, ten years after Annexation, there were 236 Japanese temples in major cities, with 337 Japanese monks, 137,000 Japanese and 11,000 Korean devotees affiliated to them (Sŏng Chu-Hyŏn 2004: 85). The more wide-ranging and historically important impact of the Japanese Buddhist missionaries was the request by the Japanese monks to the Korean government, under the Japanese protectorate, that it lift the ban on Buddhists monks entering the capital. This was the beginning of the Buddhist monks' return to cities from the mountains. The latest official statistics indicate that there are 22.8 million Buddhists in Korea.

- *New religions*. A less remarkable but significant development in this process of religious opening was the birth of indigenous new religions, the influx of new religions from Japan, China and the US, and the introduction of Islam after the Korean War (1950–1953). There are more than 200 new religions in South Korea (see Chapter 8 of this volume). The new religions are of three types:

  1 those founded by former Christians and Buddhists, who abandoned their respective religions to create new versions such as the Unification Church and Chŏndokwan (Christian breeds) and Wonbulkyo (Buddhist related);
  2 those founded by Korean civic leaders on the basis of indigenous belief systems in combination with Confucianism, Buddhism and Sŏnkyo;
  3 those imported from the US (Jehovah's Witness), Japan (Sokagakkai and Tenrikyo) and China (Ilkwando).

  These new religions combine Buddhist, Confucian, Taoist, Christian and Shamanistic elements, "promise the advent of a utopia in this world following an apocalypse", and stress "the advent of a savior – none other than the founder of each sect – with the coming of the new world" (Grayson 1989: 240; see also Chapter 8 of this volume). Each sect has a relatively small number of followers and will likely remain a minority religion.
- *Shamanistic practices*. Indigenous Shamanistic practices have survived numerous assaults from officially adopted religions (Buddhism, Taoisim, Confucianism, Christianity and Islam) for thousands of years, and are doing well, catering for the people whose needs are not met by the above-mentioned religions. An estimated three million Koreans regularly consult modern-day shamans (fortune tellers), whose establishments are found on virtually every street corner – there are reportedly more than 600,000 fortune tellers in South Korea (*Kukminilbo* 1997, quoted in Andrew Kim, 2002). Moreover, this folk belief system is being elevated to the level of a

religion, *mukyo* (Shaman religion), from the old rank of *musok* (shaman folkways). Clients for Shamanistic services have traditionally been almost exclusively women; however, in urbanized Korea, men also seek their help in pursuit of fortune.

- *The coming of Islam*. There is a small but growing religious Islamic community in Korea. It began during the Korean War (1950–1953), when a Turkish Imam succeeded in converting a small number of Koreans. In 1955 those Korean converts formed the Korean Islam Society and began missionary efforts to spread the new religion in Korea, then built a temporary Islamic temple in 1956. In the same year, there were 208 Korean Muslims; by 2007, there were 140,000.

Christianity undoubtedly dominates the religious scene in contemporary Korea. It has not only been adopted by almost 30 percent of Koreans during the past century, but has also helped to modernize other religions. In an effort to make Buddhism more relevant to contemporary lay Koreans (Buswell 1992: 33), Buddhist leaders have begun active propagation work – modeled after the "the aggressive missionary work by Christians", which they consider to be the cause of their success (i.e., rapid growth in membership) – by publishing the Buddhist Bible (*Pulgyo sŏngjŏn*), compiling the Buddhist Hymn Book (*Chanbulka*), introducing Sunday dharma meetings at temples or temple members' houses, and establishing propagation centers *(pogyowon*), welfare facilities and schools (Yun Yŏng-Hae 1999). "Christians were", in the words of Buswell, "setting the agenda, and Buddhists were scrambling to react" (Buswell 1992: 34). The new religions born in Korea have also learned from Christian churches. They produce publications that resemble the scriptures of Christianity, and their theology shows signs of Christian influence. Their gods are also given characteristics associated with Christianity (see Chapter 8 of this volume).

Koreans may now choose one of the religions representing the teachings of various apostles of the Almighty God, the creator, and become believers dedicated to their chosen religion only, or pray to small local gods (*sins*) in pursuit of worldly fortune, or remain atheistic Confucians. In globalized Korea, the religious market is wide open. Religious groups are increasingly becoming aggressive in recruiting new converts and in expanding their social influence, and, inevitably, inter-faith tension results.

Christianity again leads in both causing conflicts and initiating inter-interfaith dialogue and cooperation, and is increasingly becoming conciliatory.

Christianity has, since its arrival, been antagonistic to other belief systems, not recognizing their legitimacy as religions. Foreign Christian missionaries and Korean Christian converts have continuously tried to belittle (and destroy if possible) shamanistic practices as a form of superstition, the Confucian ancestor worship as a cult of idolism, and Buddhism as a heterodox religion. The return of Buddhist monks to towns in recent years made some Christians nervous, as they take this as a direct challenge to the superiority of their religion, and they have expressed their anger in various forms – setting Buddhist temples on fire,

disturbing Buddhist dharma meeting, painting a cross on images of Buddha, breaking off the heads of statues of Buddha, and physical assaults on Buddhist monks. However, this religious violence is confined to a minority of Christian radicals. There is little sign that it will lead to a religious war, similar to that which is currently taking place in the Middle East.

There are increasing efforts among leaders of different religions to engage in dialogue in an attempt to understand (and recognize) each other. At the communal level, Christian churches and Buddhist temples cooperate in an effort to promote public good (*kongkongsŏn*) and the national interest by protection of human rights, respect for human life, ecological concerns, assisting North Korean and other refugees, assisting "unfortunate children", holding candle-lit marches for peace, North–South cooperation, and international exchange. They also jointly run annual youth camps to encourage mutual understanding by living together. One department at a Buddhist university offers a course on other religion and requires students to take this. Some ten Christian ministers have acquired advanced degrees in Buddhist studies. It appears that religious leaders are more inclined to find a common ground for cooperation and coexistence than to stress doctrinal differences and denounce each other.

Politics of ideology

THE SAMDAE IDEOLOGY AND SADAECHUI

Chosŏn Dynasty Confucian scholars and politicians adopted the Neo-Confucian vision of ideal society derived from what they considered to be the "ultimate form of governance of the three (Chinese) ancient dynasties" (*samdaechich'i*) – Shang, Hsia and Chou – and began the ambitious project of building a new (modern by contemporary standards) kingdom patterned after the three dynasties to replace the Koryo Dynasty that had adopted Buddhism as the official ideology. The plan was outlined in the *Kyŏnguk taejŏn* (The Great Code of 1469).

The essence of Imperial governance is, in modern jargon, to create a government for the people. The king rules according to the mandate of heaven, but if the people suffer from bad administration the king is no longer graced with that mandate. The people therefore represent heaven, since heaven's will is reflected in the mind of the people. The king's utmost concern should be winning peoples' minds. He begins this by self-cultivation through study of the Confucian canons, and then helps people to cultivate their minds and become self-regulating loyal subjects by ensuring that they are adequately educated, morally and ritually, and are not materially wanting. The hereditary king is assisted and advised in governing the kingdom by able officials who are well versed in Confucian classics, have internalized the *samdae* ideology and have passed the competitive civil examination.

As Ledyard points out,

> Aliens who embrace Confucianism to a very large extent embrace China with it. When as in Korea, it becomes politically institutionalized, it does so

> in a manner that puts Korea in a subordinate and obligatory relationship to China. It does not nurture nationalism; it brings forth instead pan-Confucian ecumenism.… Confucianism and Sinicism were all but inseparable.
>
> (Ledyard 1968: 50)

The Chosŏn Dynasty of Korea accepted China's *chunghwachuui* (Sino-centrism) in its effort to Confucianize itself; it became a vassal state and retained close *sadae* (worship of the powerful) ties with the Ming Dynasty. When Ming fell, Korea became a subordinate state to the Ching Dynasty but refused to regard it as the genuine orthodox Neo-Confucian state, culturally superior to Korea. It claimed that Korea was the sole successor of Ming's *chunghwachuui* (for more on this, see Chŏng Ok-Cha 1998), and did its utmost to retain intact the Korean version of Neo-Confucianism. No cultural interaction with Ching and loyalty to the vanquished Ming Dynasty made Chosŏn Korea a closed and isolated kingdom with an inflexible Confucian orthodoxy (Pak Chung-Sŏk 1976: 531).

THE NATIONALIST MOVEMENT BEFORE COLONIZATION

When Korea was forced by foreign powers to open its doors and introduce institutional changes, there was a group of young reformists who urged an end to the Confucian social order, carried out a Western-style enlightenment (*kaehwa*) campaign, and even attempted to overthrow the government with Japanese support. In 1897, Korea became an independent imperial kingdom, *Daehan chekuk* (Imperial Korea).

This *kaehwa* campaign, or modernization project through learning from the West, marked a complete breakaway from the Confucian past and five centuries of effort to resurrect the "golden ages" of the three ancient Chinese kingdoms, and the beginning of a new era of building an ideal society modeled after the "advanced" West. It was a desperate attempt to muster the strength of the kingdom in order to protect its sovereignty in the wake of the invasion of foreign powers that threatened its survival.

It was also a nationalist effort to re-establish Korea as a country independent of Chinese ties and influences. Many nationalist elites came to attribute the fall of the Chosŏn Dynasty, as well as Korea's "backwardness", to Confucian teachings. Some historians rewrote the history of Korea not as a "small middle kingdom" or a tributary state, but as an independent country with its own unique culture, highlighting those historical events which produced military heroes who saved the country from foreign invasions, and cultural achievements which were distinctly of Korean character – such as the invention of *han'gŭl* (the Korean alphabet), movable type and the rain gauge. A small number of self-taught linguists devoted themselves to the study of *han'gŭl*, standardizing spelling and establishing its grammatical basis with the help of those Christian missionaries with training in Western linguistics. A group of reform-minded civic leaders published a newspaper called the *Doknip sinmun* (Independence) in *han'gŭl*, embracing a wider audience. A movement also began among writers to produce

literary works in *han'gŭl*, not in Chinese characters. The ultimate goals of these nationalist intellectuals were to create a new national identity, spirituality or zeitgeist, to enable Koreans to be united in their opposition to colonial authorities and the struggle to regain independence, and to build a new, modern Korea.

NATIONALISM AFTER COLONIZATION

The Imperial government, however, had been unable to carry out the kingdom's enlightenment programs effectively, as it was under the influence of foreign Imperial powers stationed in Korea, and lacked the administrative capacity and resources. As outlined above, Japan eventually seized Korea in 1910 and ruled it for 35 years.

The colonial government rewrote the history of Korea with the aim of demonstrating Korea's alleged old linkages with Japan as a colony in ancient times, and emphasizing its cultural "backwardness" as a way of justifying Japan's colonization of Korea. Subsequently it imposed Japanese culture on Korea as a way of Japanizing the country. Toward the end of the colonial period, the alien government accelerated the process of assimilating Koreans by replacing Korean with Japanese as the official language, enforcing the Japanese religion, Shintoism, inculcating the sense of loyalty to the Japanese Emperor, and encouraging the adoption of Japanese-sounding names, etc.

Armed struggles against the colonial authority continued for at least ten years after accession, until they came under control of the military colonial force. Direct confrontation with the colonial authority through street demonstrations and rallies in their struggle for independence took place regionally, and culminated into the nationwide 1 March Independence Movement in 1919. The Japanese government reacted to the 1919 uprising by shifting the colonial policy from "military rule" to "cultural rule", allowing a degree of freedom to Koreans while tightening control on the independence movement within Korea. Since then, the independence movement within the Korean peninsula has become more of a movement of cultural nationalism rather than one of direct confrontation.

Civic leaders continued their campaign, under police surveillance, to expand school education, and launched a nationwide campaign in the 1920s to promote Korean industry and Korean products for Korean people. The grammarians also continued their campaign to promote the use of *han'gŭ*l. Literary writers – with little freedom to advocate Korean independence to promote patriotism for the lost fatherland, or to praise Korean culture and tradition – indirectly devoted themselves to (1) discovering uniquely Korean forms of literature, and (2) enlightening Korea minds and society. A type of lyric poem, *sijo*, resurfaced as the best candidate for the most indigenous literary form.

THE COMMUNIST MOVEMENT

More radical elements, left-leaning or Communist groups, came into being in the 1920s. These "socialist" nationalists became critical of the above-mentioned

"nationalist" nationalists for advocating the promotion of industry, building private (that is, Korean) universities, and national character reformation, and instead focused on the liberation of industrial workers and peasants who, in their Marxist view, were the direct victims of the capitalist economic system imposed on Korea by Japanese Imperialism. In their interpretation, the colonization of Korea was a process of Japan's capitalist expansion, and therefore a war between Korean proletariats and Japanese capitalists was in itself a struggle for national independence. The Communist and proto-Communist movement was a nationalist proletarian movement led by intellectuals who helped workers and peasants to organize into unions in a war against the capitalist system. From the Marxist perspective, capitalism and imperialism (or colonialism) are inseparable, and hence the nationalist war against imperialism a class conflict. For Korean Marxists, nationalism was no longer a zeitgeist that helped unite Koreans into an anti-Japanese force, but a class ideology that differentiated Koreans into two antagonistic classes – bourgeoisie and proletariat.

Closely linked with this movement was a proletarian culture movement. This was a movement for the proletarian class, led by intellectuals, without directly involving workers and farmers. Many writers and artists also came under the Marxist influence and began a new literary movement. This shifted from the existing nationalist movement focused on liberation of the nation to that of workers-peasants, which they considered as a first step toward attaining independence. In 1925, they established the KPAF (the Korean Proletarian Art Federation, *Chosŏn proretaria yesul tongmaeng*) and launched what came to be known as the "proletarian literature movement". They applied the Marxist class perspective to the socio-economic conditions under which industrial workers and rural peasants toiled, and championed – if implicitly – a class war against the Japanese capitalists/landlords. The KPAF was forced by the police to dissolve in 1938.

CONSERVATIVES AND PROGRESSIVES (LEFT AND RIGHT)

Communists resurfaced after liberation, and became the dominant force in establishing the Korean People's Republic before the landing of the American troops. The professed aim of the Communists was to establish a socialist state, with the working class as the main force, that would form a unified front with farmers, urban citizens and intelligentsia. The three leftist parties formed after Liberation – the Korean Communist Party, the Korean People's Party and the New Democratic Party – merged into the Southern Korean Labor Party as a counterpart to the Northern Workers' Party. It operated as an opposition force until it was outlawed by the US Military Government in 1948.

In the same year, the Republic of Korea was born in the south and adopted, as mentioned above, a democratic constitution. The republican state, however, turned into an authoritarian regime under Imperial presidency of Syngman Rhee, and established an ideologically monolithic conservative nation by adopting an anti-Communist policy that placed the utmost emphasis on national security.

When Park Chung Hee came to power in 1960, he inherited Rhee's anti-Communism as the official ideology and focused on economic development with three main objectives: (1) freedom from poverty, (2) freedom from foreign economic aid, and (3) nationalistic industrialization and minimizing foreign ownership. He was remarkably successful on all fronts, but national and economic security was achieved at the cost of political freedom or democracy. Chun (1979–1987) carried on with what Park set out to do.

Political pluralism and even simple criticism of the government were deemed dangerous, as they were very likely to be "beneficial to the enemy" – that is, the North Korean regime – and to delay industrial development. The National Security Law and police force were fully utilized to suppress any opposition. It was a dark age for political ideology. However, opposition forces were not completely eliminated or silenced. The movement to revive democracy continued throughout the authoritarian period until 1987, when Chun's chosen successor, Roh Tae Woo, elected to end the authoritarian military rule and promised a return to democracy. Park's legacy, anti-Communism and developmentalism, gradually came under open scrutiny, and its legitimacy was questioned by his critics.

Roh's government made serious attempts to establish peaceful relations (through negotiation) with North Korea, and anti-Communism and the National Security Law began to lose their power.

The turning point was when Kim Dae Jung became president in 1998. In 2000, he held a historical summit meeting with Kim Jong Il, the North Korean president, and signed an agreement on mutual cooperation. Exchanges increased sharply between two Koreas in various forms: talk, trade, goodwill, tourism, information and knowledge. The two Koreas became more reconciliatory to one another than ever before, and expectations of reunification, at least in the south, rose rapidly. All the changes that South Korea witnessed after the summit meetings were of a pro-North or "enemy-friendly" nature – by the National Security Law standard.

This changing political mood posed a threat to those South Koreans who were not ready to accept the idea of a reunification of the two Koreas that would recognize the North's sovereignty. South Koreans began to be divided into those who insisted on preserving the South Korean national identity in reunification, and those who advocated reunification first and negotiation on the identity of the unified Korea later. The former coalesced into a conservative or rightist force, while the latter coalesced into a progressive or leftist force.

The political (or ideological) climate of South Korea has clearly changed. As mentioned above, the progressive labor union movement with a socialist agenda led by the KCTU was officially recognized by the Kim Young Sam government in 1995. The KCTU went on to create the Democratic Labor Party, and eventually seized ten seats in the National Assembly in 2000. Equally significant to the conservative establishment was the election of Roh Moo Hyun (2003), who is continuing the tradition of reformist government that Kim Dae Jung established.

The ten years of reformist government and the rise of the Labor Party added a

new dimension to ideological politics. The Democratic Labor Party officially represents the interest of the working class, and the economic policies of the two reformist governments, despite repeated disclaimers, were widely accepted by the establishment left-leaning anti-corporatist and anti-capitalist wing.

The opposition Grand National Party remained closely linked with the old establishment and came to be accepted as a conservative party friendly to capitalism and committed to anti-Communism as essential to national security.

Changing values

In the Chosŏn Dynasty (1392–1910), scholars and politicians accepted one of the basic assumptions of Confucian political theory: that "the good State would automatically result if each individual punctiliously cultivated the garden of his own family duties" (Dore 1959: 93) and that filial piety would be the foundation for building stable families. Filial piety was widely regarded in the Confucian world as the source of all virtue and the guiding principle of human living. Those who were filial were believed to extend their demeanor to their interaction with others, as their behavior outside the house reflected on their parents' name: it was believed that a filial son would make a loyal subject to his ruler, an official serious in discharging the duties of office, a sincere friend, and a brave soldier (Fung 1952: 360). The Royal Court made it a policy to promote and propagate this moral doctrine by rewarding filial children (by building an arch or raising a flag before their house) while punishing unfilial children (by issuing a warning or flogging). Indeed, the Chosŏn Dynasty in Korea produced many filial sons, daughters and daughters-in-law. The *Wangjo Sillok* (Veritable Records) holds their names and describes their filial acts.

However, perhaps the Korean Confucian elites were overly optimistic about what filial piety could do. It was widely felt, after more than a century's trial of politics by moral suasion, based on the axiomatic thought that stable families meant a stable society, that the family alone was not sufficient to produce an orderly society. During the Ch'ungch'ŏng reign (1506–1544), the Chosŏn Dynasty government initiated the community compact movement. The idea was to establish self-regulating local communities with moral codes derived from the Lu-Zhu community compact of the Song Dynasty. The codes consist of four basic principles: neighbors should help each other in time of need, in promoting virtuous deeds, in correcting misdeeds, and in observing proper rites. Such communal ethics had long been embedded in rural farming communities, and the introduction of the Lu-Zhu community compact reinforced and modified this. The movement gradually spread throughout the country; and by the end of the eighteenth century the idea of self-government under the leadership of local elites had become firmly established (Shikata Hiroshi 1943: 438).

These two sets of Confucian values have gone through two different transformative routes in the wake of modernization. As we have shown, the filial piety norm has been replaced by parental love of children. On the other hand, the communal ethic of mutual help has survived urbanization, successfully

adapted itself to the urban setting, and continues to be practiced by urban residents (see Chang 1991). Deliberate efforts are made not only to maintain existing kinship or personal bonds, but also to create new personal networks on the basis of school, regional or other ties. Informal personal ties, mutual trust and help, and reciprocal obligation and indebtedness within a personal network, are still widely valued in themselves. The urban personal network continues to flourish as a preserve of traditional virtues.

However, urbanites also appreciate its economic and status implications. To know someone well immediately implies a mutual personal obligation. The larger the number of people known personally, the greater is one's personal influence and prestige (Dore 1959: 259). In urban life, an influential friend, relative or acquaintance frequently becomes a means to material benefits, for "getting around", or "getting ahead". Personal ties or social bonds are now being viewed by social scientists as social capital that can be utilized for promoting a person's self interest.

The capitalization of personal networks has had another equally significant effect on Korea's personalist society. While traditional personalists successfully adapted themselves to market development, thereby becoming utilitarian selves, the market in turn transformed personalists into people in search of redefining themselves. The modern urban community with its various markets provides its residents with numerous choices in life chances and conditions. Increasing choices, coupled with increased resources, force people to develop an individual capacity to acquire knowledge and information, to compete against others, to cultivate personal taste, preferences and political orientation, to express and assert the self, to make decisions, and to mold personal identity. Self-concerns loom increasingly large in the life of the urban personalist. Either as the promoter of self interest or as the developer of unique self, personalists are becoming increasingly conscious of their self-identity (for more on this, see Chang 2007). This process of self-development is characterized variously as individualization, etc.

Societal cohesion

As Korea has become a more differentiated and open society, Koreans have learned to cope with the many forms of interpersonal or inter-group conflict that arose as a result of the individual pursuit of various interests. However, income inequality and class divisions, as shown above, have widened since the 1997–1998 financial crisis, evolving into a social issue that divides the nation collectively into the progressive and the conservative; and the ideological gap between the two sides is not likely to narrow in the near future. How will this growing class cleavage affect society? Will South Korea remain a cohesive society? To try to answer a question about the future of a rapidly changing society is a risky business. The knowledge of the social transformation in the wake of the modernization or globalization process over the past century does, however, enable us to project changing social trends into the future. There are at

least three factors that are likely to prevent the new industrial urban Korea from disintegrating, namely welfarism, institutionalization of conflict, and homogeneity (or nationalist sentiment).

Welfarism

Care of the poor and powerless through a public assistance program has long been the concern of the government. The government is also extending its function through the establishment of a social security scheme to protect those who cannot enter or who drop out of the job market and remain helpless, and to help those who are employed to prepare for lay-offs and sickness that could remove them from gainful employment temporarily or permanently. The constitution provides a basis for establishing a welfare state by stipulating the people's rights to pursue happiness and to enjoy a decent living, the role of the state in promoting social security, and the right of those who cannot support themselves to be protected by the state (Choe Chŏn-Song 1977: 181).

In 1961, three public assistance-related laws – the Protection of Livelihood Law (*saenghwal bohobŏp*), the Child Welfare Law (*adong bokchibŏp*) and the Prevention of Amoral Practice Law (*ban yullak haengwi bop*) – were enacted by Park's military government. However, there were neither sufficient funds nor the political will to make public assistance a major government responsibility. As Byung Young Ahn points out, Park's primary concern was to combat poverty through growth (see Chapter 9 of this volume).

A real push for government public assistance work came under the Kim Dae Jung administration, when the financial crisis broke. The subsequent structural adjustment produced a large number of "new poor", and threatened to bring down the middle stratum.

In 2000, the Kim Dae Jung government installed the Basic Livelihood Guarantee System (BLGS, *Kich'o saenghwal bochang chedo*) to replace the 40-year-old Living Protection System (*Saenghwal bohobŏp*), along with a job-training program for beneficiaries of the new poor-relief system. While government aid to the poor under the Protection of Living Law took the form of relief or charity, under the Basic Living Guarantee Law it became a citizen's right. To lead a decent living, at least at a minimum level, is now considered to be every citizen's constitutional right; the government and society are obliged to help those who cannot help themselves.

The social security scheme also has gone through a similar process of evolution. In the early 1960s, limited national pension programs were introduced for government officials (1960), then for police officers and servicemen (1963). In 1995, such a program was extended to the entire population. The government passed the Voluntary Health Insurance Act in 1963, and implemented seven pilot programs on an experimental basis, but it was not until 1976 that health (medical) insurance was made compulsory. Industrial accident compensation insurance was introduced in 1964. Initially, firms hiring 500 or more workers were requested to join the program for their employees, and in 1986 it became

mandatory for every firm, regardless of the number of workers employed, to subscribe to it. It was not until 1995 that the government inaugurated an unemployment insurance program in anticipation of economic recession and massive lay-offs (Song 2005). The year 1995 thus marked the point in time when South Korea became a welfare state.

However, as Ahn discusses in detail in Chapter 9, the South Korean welfare system is not adequately protecting the poor and needy and lower-class people from sickness, unemployment and industrial injury. The public assistance program fails to compensate the so-called deserving poor. The social security scheme suffers from limited coverage and a low level of benefits. While the reform-oriented governments that have followed the long years of authoritarian rule are eager to look after the welfare of the underdog, it appears that there are not sufficient resources to bring the welfare and security programs to the level where "all citizens without distinction of status or class" will benefit. In the words of one newspaper editorial writer,

> The budget for the welfare program is always short. It is necessary to develop a new financial source. As in the advanced countries, to make those who earn more money pay more tax by applying a higher progressive rate should be a good device. The rich may resent this method but there is no other way of finding welfare resources.
>
> (*Hankyoreh* [Kinds] 2000–10–12).

The welfare program is essentially a scheme designed to shift wealth from the rich to the poor in order to help the latter to sustain minimum decent living conditions.

Is the government willing to tax the rich to establish a sufficient fund to save the poor, risking being labeled by the conservatives as being too socialistic? Business circles (*Chegye*), neoliberal economists and conservative media are becoming more vocal than ever in defense of the free market economy. They are critical of any government policy aimed at shifting wealth away from the rich to the poor, expressing their concerns about spending too much money on the poor relief program at the expense of profit-generating investment.

Unwillingness on the part of the rich to share their wealth with the less fortunate, and the widening gaps in income and wealth, is being regarded by many critics as a key factor that contributes to the creation of social tension and conflict, thereby negatively affecting the nation's societal integration (*sahoe t'onghap*).

The globalizing South Korea is caught between a push toward a welfare state and a reaction against it by neoliberal market advocates. Will neoliberalism prevail in the end? Two structural features of new industrial Korea are likely to counter this trend, strong as it may be. Like neoliberalism, welfarism has its defenders. In other words, as it has become apparent above, Korean society has developed the capacity to manage social tension or conflict.

Institutionalization of conflict

In Chŏson Dynasty Korea, social conflict at any level was considered undesirable – something to be discouraged and avoided. Confucian political theorists did not recognize social conflict as a perennial feature of society and a source of social change. The society was perceived as a hierarchical system of the superior and the inferior, who share the same values that outweigh all possible or actual differences of opinion and interest. The former is the guardian and protector of values of the system, and is expected to lead the latter in the name of the whole. The latter's reticent following of the former is essential for the orderliness of the system. In essence, their image of society was one of harmony founded on widely shared values. Accordingly, the obedient following by the inferior of the superior was condoned, while disobedient disagreement was discouraged – or often dealt with severely. Conflict or disagreement between the superior and inferior was regarded as a challenge by the latter to the existing order, and therefore a threat to the system. Thus, the dominance by the superior could not be criticized; it could be only overthrown by rebellion when it became unbearable.

The second section of this Introduction was devoted to the discussion of the various forms of social conflict that came into being as the society became differentiated. What is apparent from the discussion is that, in spite of the divisive effects of globalization and even though there is a good deal of resistance to establishing functionally workable relationships between differentiated roles, Koreans are slowly coming to tolerate the open expression of differences of opinion, ideas, political beliefs and faiths. Moreover, they are beginning to acknowledge conflicts of interest, and to develop mechanisms for achieving compromise agreement by appealing to acceptable generalized principles of justice and fair procedure (see Dore 1959: 392). In other words, social conflict is becoming institutionalized without undermining societal solidarity – that is to say, a consensus is being built up among Koreans to agree to disagree and to tolerate opposition.

Conflict is an accepted social phenomenon. The weak or inferior have learned and developed the capacity to organize themselves in an effort to protect their rights to claim what is legitimately theirs and form a political party to represent themselves and civic groups on their side. It is also important to note that the weak and inferior are ready to fight against the strong and superior, and they have supporters recruited from the strong and superior. The strong and weak cannot simply ignore the demands of the other, but recognize and are increasingly coming to realize that it is to their advantage to give and take. It was John Locke who first made the point about resolving conflict through institutionalizing it. He said that government by consent coupled with the right of the people to rebel is the best fence against rebellion (paraphrased by Ebenstein 1964: 138). Korea is in the process of creating a basis for what Durkheim called an "organic" rather than a mechanical type of solidarity. This is a theoretical answer to a practical question. It is still not clear how cleavages between the rich and poor, and the problem of non-standard workers, will be resolved; however, there is some evidence that these issues are being increasingly addressed. The poverty issue is becoming of major concern to numerous

civilian groups who form public opinion regarding the urgent need of a solution for this issue. The national federations of unions, both KCTU and KFTU, are shifting attention more and more to non-standard workers. The point to be made here is that the poor and industrial workers have learned to claim help from the rest of the society in order to become decent citizens.

Nationalist sentiments

Efforts to resolve social tension caused by inequality of income and wealth will likely be facilitated by a strong nationalist sentiment. As Shin (see Chapter 10) points out, globalization strengthened nationalism rather than eroding it. Koreans remain united in their efforts to defend national sovereignty, autonomy and cultural identity against external pressures. Many Koreans continue to differentiate themselves from others as a single nation originating from a mythical Tan'gun who founded an ancient Korean kingdom more than 4,000 years ago. Their ethnic identity has been well preserved because they rarely had occasion to inter-marry with other ethnic groups. There is little linguistic and cultural diversity. They are also bound together by clearly demarcated geographical boundaries. Such a long history of national homogeneity has inevitably generated a clear sense of collective identity. Consequently, Koreans are very self-conscious about distinguishing between Koreans ("us") and non-Koreans ("others"). Reischauer (1977: 401–421) and Dore (1979–1980: 604–606) have written about the Japanese sense of separateness – for example, the absence of a sense of close feeling with other ethnic groups or nations. The same can be said of Koreans.

The strong national sentiment and the sense of separateness serve as a basis for a nationalist ideology for Koreans when Korea's sovereignty is threatened or Korea is in competition against other nations. After the demise of the Chosŏn Dynasty, Koreans developed a strong national consciousness against the Confucian Sinicized past and the colonial Japanized present. South Koreans now take great pride in economic development and other modernization projects that the country has accomplished over the past 50 years, and in what Korea has become in comparison with what it was in the past. Building a new Korea or a new national identity is an ongoing process, and it is not just limited to economic development. "To the (non-Japanese) foreigners," John Enos remarked, "the Koreans, old and young, rich and poor, rural and urban, privately employed and civil servants, are remarkable in their awareness of a national interest and in using this national interest as a guide for their own behavior" (Enos 1984: 28). Crafting a new identity for Korea as an advanced nation (*sŏnchinkuk*) appears to be a nationwide project in which most Koreans voluntarily participate.

Notes

1 It states that "citizens in those wealthy, strong and independent countries are well educated. Acquiring knowledge is the utmost goal of education and education is the basis for preserving the nation" (Son In-Su 1971: 28).

2 The American political economist Alice Amsden called this process “involuntary modernization” (1991).
3 Anti-Chŏlla (or Honam) region sentiment has a long history and continues to prevail. Various surveys conducted by social scientists in the post-Liberation period invariably indicate negative images or attitudes held by people born outside of the two Chŏlla provinces, and cite discrimination experienced by Chŏlla people when they moved to other provinces (Yi Chin-Suk 1959; Ko Hŭng-Hwa and Kim Hyŏn-Sŏp 1976; Kim Chin-Kuk 1977; Kim Hye-Suk 1988; Choe Hŭng-Kuk 1987).
4 However, earlier in 1876, four Koreans who went to Manchuria were baptized by Scottish missionaries and returned to Korea as the first Korean Protestant converts.

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Part I

Status politics

Introductory notes

Donald Baker

Globalization does not affect everyone equally. Whether we focus on its cultural social, economic or political impact, we cannot help but notice that some benefit more than others, and some suffer ill-effects more than others do. Globalization can exacerbate conflicts of interest that already exist in societies before they are subject to the transforming pull of external economies, politics and cultures. It can also create new areas of tension as it stimulates new arenas for competition and creates new criteria for status, wealth and the exercise of power. For example, as Sung-Nam Cho points out, globalization has been a mixed blessing for the women of Korea. Integration into global economic and social relations has opened up whole new avenues for women to contribute to their nation's economy, and to be compensated financially for doing so. Thanks to the globalization of the Korean economy, Korean women today have many more choices regarding what kind of work they will engage in than their ancestors in pre-modern Korea could have even dreamed of. For example, they can now work in factories or offices. However, they still do not have as many opportunities for financial autonomy as do men, nor are the financial rewards they can expect from their work normally as lucrative as the rewards men receive. Moreover, they are more likely than men to be laid off when there is a downturn in the economy.

This gender disparity is partially due to the lingering legacy of the low status and lack of autonomy women suffered in pre-modern Korea compared to men. However, globalization has exacerbated that gender inequality by extending it to offices and factories. Pressure on the Korean economy in the early stages of globalization-stimulated industrialization to rely on low-wage labor for the competitive price advantage that would allow Korean products to compete in world markets meant that most of the new job opportunities available to women were jobs that neither paid well nor rewarded initiative or autonomy.

Even women who have avoided or moved up from such low-paying and low-status jobs find nonetheless that they have not benefited as much from globalization as have men. For example, the traditional expectation that women are responsible for cooking, overseeing the children's education and otherwise managing their household has been joined by pressure on women to work outside the home in order to contribute to the funds needed to pay for mounting household

expenses. This means that women face a much heavier burden than men, since most men are only responsible for earning a decent income and do not have to do much housework when they arrive home exhausted after a day at the office.

Moreover, a growing and modernizing economy has meant greater pressure on women to consume more products of that economy. Whereas in the past once a woman was married she was not expected to keep up with changes in fashion or pay a lot of attention to her personal appearance, now some housewives feel compelled to spend time, energy and money maintaining the fiction that they are neither overworked nor growing older. The "missy" phenomenon Cho writes about is one more financial and psychological burden women face in a cultural and economic environment that has been rapidly transformed by globalization. Both men and women in the southwestern part of Korea were adversely affected when globalization exacerbated an existing tradition of regional discrimination. As Eui-Young Yu shows, discrimination against people from the southwestern part of Korea, particularly on the part of people from the southeast, has existed for a long time on the peninsula. However, it has come to the fore as a burning social issue only over the past few decades. One reason for this change is that the economic gap between southeastern and southwestern Korea has grown wider as the Korean economy overall has grown in response to the stimuli of contact with external economies. There are a couple of reasons for that growing economic disparity. First of all, globalization stimulated rapid economic growth, which made the differences between different regions more noticeable because economic growth, and the import of foreign goods as well as foreign models of production, produced a greater number and broader range of criteria with which relative rates of economic growth could be compared. Second, because South Korea was pushed toward Japan by the strong winds of globalization, and southeastern Korea is a lot closer to Japan than is southwestern Korea, southeastern Korea globalized much faster than southwestern Korea and grew more prosperous much faster.

Even though the southwestern part of the Korean peninsula has modernized, it has not done so as the same rate as the southeast and thus the traditional southeastern disdain for people from the southwest has been reinforced by the impression that the economy, society and culture of the southwest is lagging behind that of the rest of the country and therefore the people who live there are country bumpkins unqualified for positions of political or economic leadership. That is one reason, along with favoritism, why the people from the Honam region are under-represented in the leadership structure of South Korea.

1 Globalization and women in South Korea

Labor participation and women's identity

Sung-Nam Cho

The uneven nature of globalization[1] and its unequal impact on developing countries have been extensively analyzed by scholars, but relatively little work has been done on the impact of globalization on marginalized groups in society, and this is especially true of women. This gap in the literature will be addressed in this chapter by exploring the ways in which recent trends in the Korean economy have affected the identity construction process of Korean women. In particular, it underlines how women in Korea have had to negotiate increasingly complex socio-economic problems rising from the country's rapidly changing economic conditions.

Globalization has stimulated transnational corporations to move their production lines into the developing world, opening up greater employment opportunities for certain groups of women. As a result of the increased demand for labor, women from all age groups have gained increased access to the job market, and female employment in global production lines has become more widespread. Some scholars interpret these macro-trends in the global economy as a sign that women have been beneficiaries of the globalization process. They claim women have enjoyed a general elevation in their socio-economic status, in so far as economic growth is positively associated with expanding opportunities for women. Moreover, this enhanced position of women has been accompanied by new societal standards and ways of measuring women's contribution to society. Today, women expect that they will continue to achieve greater equality in the years ahead as they obtain more responsible and important positions in the job market. In this sense globalization may facilitate the expansion of a democratic political culture, including greater participation in politics by women.

This rosy view of globalization has been challenged by scholars in the field of gender studies, who have highlighted the inability of capitalism to "develop" gender equality (Chang 1994; Cho 1994). These authors have also questioned the extent to which globalization and its employment patterns have empowered women. Although they admit that there have been some tangible benefits in access to employment, pay and working conditions are often such that working women pay high social, physical and psychological costs for that employment, and therefore the majority of working women have not benefited from globalization. Susan Joekes (1987), for example, highlights the fact that women workers

are often concentrated in poorly-paid, labor-intensive “feminized” industries, such as textiles and electronics.

The impact of globalization on women has been complex and contradictory in relation to both their inclusion in and their exclusion from society. The contradictory effects of globalization have been both empowering and dis-empowering for women (Ward 1990; Afshar 1998). Globalization often contributes to economic growth, but it has also exacerbated existing disparities in wage earnings. In Korea, women’s increased participation in modern industry has resulted in an entrenchment of their subordinate status within the workforce. Labor opportunities for women have increased partly because they have been treated as the cheapest source of labor. Under these conditions, women have worked part-time, as temporary labor, or on out-sourced contracts and piece work. As a result, they have experienced job instability.

As statistics on Korean women have become more readily available in recent years, many scholars have used them to study the relationship between women and development. These studies provide a general overview of changes experienced by Korean women, but they do not provide a sufficient understanding of the relevant factors impacting women’s socio-economic status and quality of life. Although they acknowledge that development policies have helped to change the lives of Korean women, they do not explain the impact of development on qualitative aspects of individual women’s lives. We know from the literature on globalization that increased labor-force participation together with other globalization processes, such as the expansion of education and mass diffusion of information, has stimulated value changes in society. For example, in Korea over the past several decades, many women have formed new collective and individual identities. It is to issues related to globalization, such as the changing character of female participation in the Korean workforce, the impact of the economic crisis of late 1997, and changes in the identity of Korean women during the globalization process, that we now turn.

Increased female labor-force participation

Globalization has touched all aspects of life for women and men in Korea, but it is most visible in the formal industrial sector of the economy. Korean women workers participated in the industrialization process and therefore contributed significantly to the economic modernization program inaugurated by the Park regime. The mobilization of a low-wage and flexible female labor-force was critical to the success of Park’s policy of export-driven industrial growth. As we can see in Table 1.1, over the past four decades Korean women have steadily increased their participation in the labor force, from 38.5 percent of the labor force in 1970 to 41.6 percent in 1980 and 49.5 percent in 1997. The participation rate dropped slightly to 47.0 percent due to the economic crisis Korea experienced in 1998, but rose again to 48.6 percent in 2000 and 49.8 percent in 2004.

Another noticeable structural change in the women’s job market is that more married women – mostly married women with a living spouse, not widowed or

Table 1.1 Labor participation (economically active population) by sex (unit: 000s (%))

	Total	*Male*	*Female*
1963	8,343 (55.3)	5,462 (76.4)	2,881 (36.3)
1970	10,199 (55.9)	6,516 (75.1)	3,683 (38.5)
1980	14,454 (57.1)	9,020 (73.6)	5,435 (41.6)
1990	18,539 (60.0)	11,030 (73.4)	7,509 (47.0)
1994	20,396 (61.7)	12,198 (76.4)	8,198 (47.9)
1996	21,243 (62.0)	12,636 (76.1)	8,607 (48.7)
1997	21,782 (62.5)	12,843 (76.1)	8,938 (49.8)
1998	21,456 (60.7)	12,893 (75.2)	8,562 (47.0)
2000	22,069 (61.0)	13,000 (74.2)	9,069 (48.6)
2002	22,877 (61.9)	13,411 (74.8)	9,466 (49.7)
2004	23,370 (62.0)	13,703 (74.8)	9,668 (49.8)

Source: Economic Planning Bureau, *Yearbook of Economically Active Population*, annual publication.

Note
*Percentages in parenthesis are the proportions to the total population.

divorced – are now part of the labor pool (Tables 1.2 and 1.3). In 1980, the participation rate of married women was 40.0 percent whereas that of unmarried women was 50.8 percent, but by 1990 the former had increased to 47.2 percent while the latter had decreased to 46.5 percent. In 2004, 51.2 percent of married women and 47.8 percent of unmarried women were in the job market (Table 1.2). This trend is particularly evident in the production industry, where the ratio of married female workers to unmarried has widened considerably.

New employment possibilities in information technology and computer-related service sectors have played an important role in increasing the participation of married and educated women in the labor force. Table 1.4 shows the ratio of female employees among all employees in information technology and computer-related service jobs. The development of information technology has created new jobs that can be done at home, making it possible for more women to work at home in either a full-time or a part-time capacity. As a consequence, more married and educated women are now employed.

There has also been an increasing willingness on the part of employers to adopt flex-time for employees' work hours, allowing workers to individualize their work schedules and also companies to hire workers for a specific project on the basis of time allocation. As a result, we see increased participation in the labor market by women, whether they are unmarried or married, educated or under-educated, young or old.

Characteristics of female labor-force participation

As shown above, the number of female employees has been growing in all sectors of industry. However, the characteristics of women's labor participation

Table 1.2 Economically active population by sex and marital status (unit: 000s (%))

	Economically active population (participation rate)	
	Married	*Unmarried*
1980		
Female	3,794 (40.0)	1,613 (50.8)
Male	6,975 (88.3)	2,045 (52.4)
1985		
Female	4,391 (41.0)	1,584 (44.7)
Male	7,683 (86.8)	1,934 (43.5)
1990		
Female	5,602 (47.2)	1,908 (46.5)
Male	8,910 (88.4)	2,121 (43.7)
1995		
Female	6,194 (47.6)	2,170 (50.4)
Male	9,914 (88.8)	2,520 (49.6)
1998		
Female	6,559 (47.3)	2,004 (46.0)
Male	10,370 (86.8)	2,523 (48.5)
2000		
Female	5,804 (51.0)	3,265 (44.8)
Male	9,740 (86.3)	3,260 (52.3)
2004		
Female	5,960 (51.2)	3,708 (47.8)
Male	10,161 (85.6)	3,543 (55.0)

Source: National Statistics Office (2004), *Economically Active Population Survey.*

in Table 1.5 show that until 1985, female participation in the industrial sector was less than their participation in the primary and tertiary sectors. In 1985, 27.7 percent of women worked in agriculture, forestry and fishing, while 30.0 percent participated in the wholesale, retail, restaurant and hotel trades. Only 23.2 percent of the female workforce was engaged in manufacturing jobs. The occupational composition of women workers became more diverse as Korea became more of an information-oriented society during the era of accelerated *segyehwa* (globalization). By 2004, only 9.2 percent of employed women were engaged in agriculture, forestry or the fishing sector; this was significantly fewer than the number who worked in the social and personal service sector (26.3 percent) or in the wholesale, retail, restaurant and hotel trades (34.4 percent) (see Table 1.6). While women have enhanced their standing in society by entering the formal labor market, their position has nevertheless remained inferior to that of men. A major issue emerging from this increased participation in the labor force is the "feminization of employment".

The labor market limits women's participation to those sectors that are generally unskilled and low paid, or part-time and piecework. Women with a higher

Table 1.3 Female workers in production industry by marital status (unit: 000s (%))

	Female employed (%)				*Production industry* (%)*			
	Total	*Unmarried*	*Married with spouse*	*Widowed or divorced*	*Total*	*Unmarried*	*Married with spouse*	*Widowed or divorced*
2003	9,108 (100)	2,246 (24.7)	5,783 (63.5)	1,078 (11.8)	2,559 (100.0)	345 (13.5)	1,814 (70.9)	400 (15.6)
2002	9,225 (100)	2,223 (24.1)	5,941 (64.6)	1,061 (11.5)	2,664 (100.0)	359 (13.5)	1,918 (72.0)	388 (14.6)
2001	8,895 (100)	1,977 (22.2)	5,819 (65.4)	1,099 (12.4)	2,694 (100.0)	319 (11.8)	1,959 (72.7)	417 (15.5)
2000	8,707 (100)	1,937 (22.2)	5,703 (65.5)	1,067 (12.3)	2,759 (100.0)	315 (11.4)	2,020 (73.2)	423 (15.3)
1999	8,304 (100)	1,832 (22.1)	5,425 (65.3)	1,047 (12.6)	2,676 (100.0)	320 (12.0)	1,951 (72.9)	404 (15.1)
1998	8,085 (100)	1,785 (22.1)	5,345 (66.1)	954 (11.8)	2,678 (100.0)	345 (12.9)	1,950 (72.8)	384 (14.3)
1995	8,033 (100)	2,063 (25.7)	4,998 (62.2)	972 (12.1)	3,157 (100.0)	515 (16.3)	2,187 (69.3)	455 (14.4)
1990	7,375 (100)	1,808 (24.5)	4,628 (62.8)	938 (12.7)	3,719 (100.0)	678 (13.1)	2,554 (68.7)	487 (13.1)
1985	5,833 (100)	1,471 (25.2)	3,600 (61.7)	763 (13.1)	3,043 (100.0)	653 (21.5)	1,994 (65.5)	401 (13.2)

Source: National Statistical Office, *Annual Report on the Economically Active Population Survey* (1985, 1990, 1995, 1998–2003).

Notes
*Female workers in production industry include those working in the manufacturing industry as well as in the primary sector of the economy such as agriculture, forestry and fishing industry, electricity, and gas and water industry, and in construction industry. Female workers in service sector are excluded in this category.

Table 1.4 Employment in information technology and knowledge related services

	Total employed (000s)			*Female ratio (%)*		
	1993	*1994*	*1995*	*1993*	*1994*	*1995*
Communication	62	66	64	22.6	21.2	21.2
Banking	235	237	243	34.0	39.8	32.9
Insurance and pension	58	71	68	39.7	38.0	37.0
Banking- and Insurance-related services	31	24	26	38.7	33.3	28.5
Realty	83	99	114	15.7	15.2	16.3
Information processing and computer operation related services	21	24	26	19.0	16.7	18.3
Research and development	19	20	22	15.8	15.0	14.9
Education service	136	140	144	27.2	26.4	28.1
Other business-related services	173	203	217	28.3	30.5	30.0

Source: Ministry of Labor, *Labor Statistics Survey Report*.

education level, along with those who have higher occupational aspirations, experience discrimination in the labor market. They often feel extremely frustrated. The level of education among women in Korea has been rising rapidly. In 1999, about 45.8 percent of college graduates were women; in 1991 the equivalent statistic was only 36.3 percent (Chin Su-Hi 1999). As the number of women with a college education has increased, their economic participation has also increased dramatically (see Table 1.7). Among employed females, the proportion of college graduates in 2000 (1,597,000, or 18.3 percent) was about nine times more that in 1980 (129,000, or 2.5 percent). However, their employment rate was still very low. In 2002, for example, only 21.7 percent of female workers were college graduates, though this was more than double the figure of 8.2 percent in 1990 (Table 1.8). Table 1.7 also shows that among the economically active population, the participation rates for female college graduates, although gradually increasing, were 56.7 percent in 1998 and 66.5 percent in 2004, while those of males were 90.6 percent and 88.7 percent respectively.

Many female college graduates with high occupational expectation of joining the labor force have experienced gender discrimination in the job market, in spite of the fact that it has become common for female college graduates to think that “marriage is a choice, but a job is a must”. However, the majority of female college students perceive that sexual discrimination does exist in the current labor market, and that it is a major obstacle to their employment and career development (Chin Su-Hi 1999). Discriminatory behavior frequently results in female college

Table 1.5 Female workers by industry (unit: 000s)

	1985	*1990*	*1995*	*1998*	*2000*	*2002*	*2004*
Total	5,828 (100.0)	7,340 (100.0)	8,224 (100.0)	8,084 (100.0)	8,769 (100.0)	9,225 (100.0)	9,364 (100.0)
Agriculture, forestry and fishing	1,615 (27.7)	1,489 (20.4)	1,206 (14.7)	1,181 (14.6)	1,072 (12.2)	984 (10.7)	866 (9.2)
Mining	5 (0.1)	8 (0.1)	2 (0.0)	0 (0.0)	0 (0.0)	1 (0.0)	1 (0.0)
Manufacturing	1,353 (23.2)	2,050 (27.9)	1,756 (21.4)	1,345 (16.6)	1,535 (17.5)	1,518 (16.5)	1,493 (15.9)
Electricity, gas and water	3 (0.1)	9 (0.1)	12 (0.1)	9 (0.1)	11 (0.1)	11 (0.1)	13 (0.1)
Construction	65 (1.1)	135 (1.8)	182 (2.2)	143 (1.8)	134 (1.5)	150 (1.6)	162 (1.7)
Wholesale and retail, trade restaurant and hotel	1,746 (30.0)	2,075 (28.3)	2,736 (33.3)	2,857 (35.3)	3,078 (35.1)	3,229 (20.2)	3,216 (34.4)
Transport, storage and communication	61 (1.0)	79 (1.1)	113 (1.4)	124 (1.5)	149 (1.7)	156 (1.7)	183 (2.0)
Financing, insurance, real estate and business service	193 (3.3)	356 (4.9)	712 (8.7)	1,516 (18.4)	824 (9.4)	926 (10.0)	964 (10.3)
Social and personal services	785 (13.5)	1,130 (15.4)	1,516 (18.4)	697 (21.0)	1,965 (22.4)	2,249 (24.4)	2,465 (26.3)

Source: National Statistics Office (year), *Economically Active Population Survey 2004*.

Table 1.6 Female workers by occupation (unit: 000s (%))

	1985		*1990*	
	Total	*Female*	*Total*	*Female*
Total	14,935	5,828	18,036	7,343
Professionals and technicians	870 (5.8)	309 (5.3)	1,301 (7.2)	553 (7.5)
Administrative and managerial	218 (1.5)	8 (0.1)	267 (1.5)	11 (0.1)
Clerical and related	1,723 (11.5)	596 (10.2)	2,336 (13.0)	937 (12.8)
Sales	2,306 (15.4)	1,608 (27.6)	2,616 (14.5)	1,243 (16.9)
Service	1,621 (10.9)	992 (17.0)	2,008 (11.1)	1,223 (16.7)
Agriculture, forestry and fishery	3,675 (24.6)	1,608 (27.6)	3,270 (18.1)	1,494 (20.3)
Production and related	4,522 (30.3)	1,248 (21.4)	6,238 (34.6)	1,882 (25.6)
	1995		*1998*	
	Total	*Female*	*Total*	*Female*
Total	20,377	8,224	19,994	8,084
Legislator and officials, managers	525 (2.6)	22 (0.3)	511 (2.6)	27 (0.3)
Professionals	971 (4.8)	342 (4.2)	1,103 (5.5)	357 (4.4)
Technical and associated professionals	1,840 (9.0)	554 (6.7)	2,121 (10.6)	669 (8.3)
Clerks	2,510 (12.3)	1,277 (15.5)	2,418 (12.1)	1,140 (14.1)
Service and sales	4,464 (21.9)	2,631 (32.0)	4,736 (23.7)	2,818 (34.9)
Agriculture, forestry and fishery	2,389 (11.7)	1,110 (13.5)	2,364 (11.8)	1,107 (13.7)
Craft and related	3,219 (15.8)	787 (9.6)	2,540 (12.7)	602 (7.4)
Machine operator	2,175 (10.7)	309 (3.8)	2,093 (10.5)	277 (3.4)
Elementary	2,284 (11.2)	1,191 (14.5)	2,108 (10.5)	1,087 (13.4)

Source: National Statistics Office, *Economically Active Population Survey.*

Note
New occupational categories have been used since 1993.

graduates obtaining temporary jobs such as tutors and “life-planners”, or becoming “discouraged workers” who give up searching for employment altogether. In 1998, for example, one survey found that about 40.0 percent of the total unemployed were discouraged workers, and most of these were women (Chung 2001).

Women’s earnings have been lower than men’s, regardless of their level of skill. This has remained true even though the average monthly income of female workers has grown rapidly, as the female-to-male ratio in Table 1.9 shows. In 1985, female workers were paid only 46.7 percent of the male average wage. This discrepancy narrowed to 61.0 percent in 1997 and 62.8 percent in 2003. A higher educational level among female workers may have contributed to this change. The comparison of average monthly wages by occupation in Table 1.10 shows that the gaps between female and male earnings in professional, administrative and managerial jobs are much smaller than those in jobs requiring less skill. However, this change does not indicate a noticeable improvement in the female job market in general. Before 1993, less than 10.0 percent of employed

Table 1.7 The economically active population by educational attainment and sex (unit: 000s (%))

		EAP (participation rate)				
		Total	*Middle school and under*	*High school*	*Junior college*	*College and over*
1990	Female	7,509 (47.0)	4,497 (45.6)	2,371 (47.5)	231 (66.2)	409 (53.1)
	Male	11,030 (74.0)	4,398 (63.2)	4,683 (80.0)	420 (93.5)	1,530 (93.2)
1995	Female	8,363 (48.3)	4,002 (44.6)	3,254 (50.2)	424 (63.5)	682 (57.9)
	Male	12,433 (76.5)	3,775 (62.3)	5,833 (81.2)	655 (94.2)	2,169 (93.9)
1998	Female	8,562 (47.0)	3,708 (42.4)	3,387 (48.4)	558 (65.0)	910 (56.7)
	Male	12,893 (75.2)	3,400 (58.4)	5,978 (80.0)	749 (93.3)	2,767 (90.6)
2000	Female	9,069 (48.6)	3,682 (43.3)	3,635 (49.5)	733 (64.6)	1,018 (66.4)
	Male	13,000 (74.2)	3,165 (58.0)	6,161 (77.3)	946 (91.1)	2,728 (87.8)
2001	Female	9,275 (49.2)	3,587 (43.3)	3,782 (50.6)	822 (65.9)	1,085 (66.4)
	Male	13,142 (74.2)	3,069 (57.5)	6,224 (77.7)	1,010 (91.4)	2,840 (88.2)
2002	Female	9,466 (49.7)	3,507 (43.1)	3,887 (51.4)	884 (66.4)	1,187 (66.4)
	Male	13,411 (74.8)	3,047 (57.8)	6,317 (78.2)	1,108 (92.6)	2,940 (88.4)
2003	Female	9,397 (48.9)	3,165 (40.4)	3,882 (51.4)	950 (67.5)	1,400 (65.4)
	Male	13,518 (74.6)	2,827 (55.7)	6,104 (77.3)	1,131 (92.1)	3,457 (89.0)
2004	Female	9,668 (48.6)	3,121 (40.2)	4,008 (53.0)	1,029 (66.8)	1,510 (66.5)
	Male	13,703 (74.8)	2,782 (58.0)	6,176 (77.7)	1,219 (91.1)	3,526 (88.7)

Sources: National Statistics Office (year), *Employment Trends* (–1998); National Statistics Office (year), *Economically Active Population Survey (2000–2004)*.

Table 1.8 Female employment by level of education (unit: 000s (%))

Year/ education	*Number of females employed*				*Female rate*		
	Middle school	*High school*	*College*	*Total*	*Middle school*	*High school*	*College*
1980	4,337 (83.1)	756 (14.5)	129 (2.5)	5,222	44.3	25.3	14.1
1985	4,169 (71.4)	1,379 (23.6)	287 (4.9)	5,835	47.3	29.8	16.8
1990	4,472 (60.6)	2,297 (31.1)	606 (8.2)	7,375	50.8	33.7	24.5
1995	3,978 (48.4)	3,177 (38.6)	1,069 (13.0)	8,224	51.7	35.8	28.0
1996	3,940 (46.7)	3,307 (39.2)	1,187 (14.1)	8,434			
1997	4,032 (46.7)	3,321 (38.4)	1,285 (31.9)	8,639			
1998	3,564 (44.1)	3,141 (38.9)	1,379 (17.1)	8,084			
1999	3,631 (43.7)	3,204 (38.6)	1,468 (17.7)	8,303			
2000	3,741 (43.0)	3,369 (38.7)	1,597 (18.3)	8,707			
2001	3,682 (41.3)	3,494 (39.3)	1,719 (19.3)	8,895			
2002	3,458 (37.5)	3,767 (40.8)	2,000 (21.7)	9,225			
2003	3,117 (34.2)	3,733 (41.0)	2,258 (24.8)	9,108			
2004	3,070 (32.8)	3,853 (41.1)	2,441 (26.1)	9,364			

Sources: National Statistics Office (year), *Economically Active Population Survey (1996–2004)*; National Statistics Office, *Changes of Employment for Last 30 Years*, 1994; KWID, *Yearbook of Women's Statistics*, 1996.

Note
*College graduates include junior college graduates.

Table 1.9 Average monthly wage by sex and female-to-male ratio (unit: Won (%))

	Average monthly income		*Female–male ratio (Female/male)×100*
	Male	*Female*	
1980	222,957	95,692	42.9
1985	386,346	180,319	46.7
1990	727,444	388,171	53.4
1994	1,195,869	679,237	56.8
1996	11,525,445	907,004	59.5
1997	1,651,435	10,006,679	61.0
1998	1,666,000	1,028,000	61.7
1999	1,735,000	1,090,000	62.8
2000	1,855,000	1,167,000	62.9
2001	1,969,000	1,245,000	63.2
2002	2,119,000	1,331,000	62.8
2003	2,303,000	1,446,000	62.8

Source: Ministry of Labor, *Survey Report on Wage Structure*, annual.

females were professionals or administrative and managerial workers. That figure rose to only 16.9 percent by 2003 (Table 1.11). As Cho (2000) has pointed out, structural change in industry overall does not seem to have affected the gender division of labor in the job market.

Another notable characteristic of female labor-force participation is that "non-standard" – temporary, daily and dispatch, contract – work has become more available for women today than have "regular" full-time jobs. As Table 1.12 indicates, in 1963, when the first five-year economic development plan was launched, less than 30.0 percent of employed female workers were full-time employees. This proportion increased to 56.0 percent in 1980, the highest point in recent history, and then declined to 40.7 percent in 1996, a year before the outbreak of the economic crisis. The "regular" full-time worker category accounted for only 30.8 percent of female employees in 1999. The structural readjustment that followed the economic crisis resulted in a steady decrease in full-time workers, and in 1999 they comprised less than half of employees. Female workers have been more likely to be pushed out of stable regular employment and moved into unstable, "non-standard" jobs. Between 1996 and 1999, the proportion of "non-standard" workers of the total employed increased from 59.3 percent to 65.9 percent for females, while it increased from 33.3 percent to 35.2 percent for males.[2]

Demands for greater employment fluidity and deregulation also arose as part of a process to retain Korea's competitive edge in the world economy in 1997, when the country faced a serious economic recession. Because of such demands, the marginalization of female workers accelerated. The restructuring of companies led to higher overall unemployment, largely because of steps to spin-off the less profitable units and eliminate mid-level jobs. Women become an easy target for lay-offs under such a policy (Cho 2001). There are some case studies

Table 1.10 Average monthly wage by occupation and sex and female-to-male ratio (unit: 000s Won (%))

Occupation	*1985*			*1990*		
	Female (A)	*Male (B)*	*A/B (%)*	*Female (A)*	*Male (B)*	*A/B (%)*
All occupations	180	386	46.7	388	727	53.4
Professional and technical	401	585	68.6	592	962	61.6
Administrative and managerial	785	805	97.6	1,197	1,305	91.7
Clerical and related	224	447	50.0	444	792	56.1
Sales	178	393	45.2	384	647	59.3
Service	172	269	64.1	355	497	71.5
Agriculture and related	201	343	58.7	–	509	–
Production	149	291	51.3	339	598	56.7
	1995			*1998*		
	Female (A)	*Male (B)*	*A/B (%)*	*Female (A)*	*Male (B)*	*A/B (%)*
All occupations	790	1,361	58.0	1,028	1,666	61.7
Officials and managers	1,889	2,271	83.2	2,245	2,737	82.0
Professionals	1,257	1,753	71.7	1,678	2,197	76.4
Techical and associate professionals	907	1,489	60.9	1,173	1,867	62.8
Clerks	845	1,390	60.8	1,068	1,658	64.4
Services and sales	792	1,124	70.5	958	1,375	69.7
Agriculture and fishery	673	1,032	65.2	805	1,668	48.3
Craft and related	645	1,203	53.6	791	1,469	53.8
Machine operators	685	1,198	57.2	842	1,345	62.6
Elementary	596	856	69.6	686	974	70.4
	2000			*2002*		
	Female (A)	*Male (B)*	*A/B (%)*	*Female (A)*	*Male (B)*	*A/B (%)*
All occupations	1,167	1,855	62.9	1,131	2,120	62.8
Officials and managers	2,289	2,890	79.2	2,519	3,246	77.6
Professionals	1,696	2,613	64.9	1,797	2,950	60.9
Technical and associated professionals	1,370	2,013	68.1	1,505	2,344	64.2
Clerks	1,183	1,812	65.3	1,387	2,146	64.6
Services and sales	987	1,414	69.8	1,136	1,654	68.7
Agriculture and fishery	736	1,409	52.2	959	1,676	57.2
Craft and related	908	1,631	55.7	1,049	1,842	56.9
Machine operators	962	1,556	61.8	1,169	1,780	65.6
Elementary	775	1,041	74.4	905	1,168	77.5

Sources: National Statistics Office, *Economically Active Population Survey* (–1998); Ministry of Labor, *Survey Report on Wage Structure* (2001–2004).

Notes

1 Average monthly wage = monthly wage + (annual special wage × 1/12).

2 2000–2003: includes establishments with 5 workers or more.

3 New occupational categories have been used since 1993.

Table 1.11 Percentage of professional workers among employed females (unit: 000s)

	Total females employed (A)	*Professional and technical (B)*	*Administrative and managerial (C)*	*(B + C)/A (%)*
1980	5,222	176	10	3.6
1985	5,833	309	8	5.4
1990	7,376	555	11	7.7
1991	7,535	624	12	8.4
1992	7,639	717	12	9.5
	Total females employed (A)	*Professionals, technicians and associated professionals (B)*	*Legislators, senior officials and managers (C)*	*(B + C)/A (%)*
1993	7,738	823	32	11.0
1994	8,005	814	25	10.5
1995	8,224	896	23	11.2
1996	8,434	969	25	11.8
1997	8,639	1,015	25	12.0
1998	8,085	1,026	27	13.0
1999	9,304	1,055	22	11.6
2000	8,707	1,017	24	12.0
2001	8,895	1,188	32	13.8
2002	9,225	1,339	32	14.9
2003	9,108	1,506	35	16.9

Source: National Statistics Office (year), *Economically Active Population Survey*.

Note
New occupational categories have been used since 1993.

Table 1.12 Percentage of employed by employment status and sex (%)

	1963	*1970*	*1980*	*1990*	*1996*	*1997*	*1999*
Total employed	31.5	38.8	47.3	60.5	61.9	62.8	61.0
Male	36.7	44.8	52.2	63.1	64.2	65.0	63.0
Female	21.8	28.6	39.4	56.8	58.5	59.5	58.1
Full-time	39.0	59.1	64.3	54.2	56.6	51.9	53.0
Male	42.1	62.9	68.2	64.5	66.7	62.2	64.8
Female	29.5	48.7	56.0	37.6	40.7	35.9	34.1
Temporary and daily	61.0	40.9	35.7	45.8	43.4	37.8	50.5
Male	57.9	37.1	31.8	35.5	33.3	35.9	35.2
Female	70.5	51.3	44.0	62.4	59.3	64.1	65.9

Source: National Statistics Office 1963–1999, *Economically Active Population Surveys*.

showing how women lost their jobs under these circumstances (Kim Yŏng-Sin 2002; Cho 2001). In the restructuring of the Nong-hyŏp Bank, 752 married couples out of 762 working in the organization were affected by a structural reorganization of the bank. Almost all of those affected (99.0 percent) were wives, and they were forced to retire early (Cho 2001). In another example, after the Korean Tele-Communication (KT) company set a target for the number to be discharged (in this case, 1,600), telephone operators (who were mostly women) were the first group to be laid off (Kim Yŏng-Sin 2002).

There is evidence that women were the primary victims of lay-offs during the recent restructuring process that resulted from the IMF crisis. In the case of S company, for example, married women workers were assigned to remote offices, requiring a three- or four-hour commute. The company also moved to a newly-developed area that had no educational facilities for children. Under these circumstances, it was virtually impossible for married women with small children to work up to ten hours a day – a common workday in Korea. It is also very difficult for Korean women, whether they work or not, to ignore the educational needs of their children. This so-called "gender-neutral restructuring policy" forced many working mothers to quit their jobs (Kim Yŏng-Sin 2002).

As Corner (1998: 11) pointed out, once women lose their jobs, they are less likely than men to receive unemployment benefits or to find new employment. Women often face discrimination in getting vocational training and/or social services due to the widespread patriarchal assumption that their husbands should support them (Cho 2000; Cho 2001).

Changes in the role and image of women

Changes in gender relations in production and employment have led to changes in gender relations within the family. The predominant traditional pattern was for men to be engaged in waged labor in the productive sector, while women focused on unpaid household and subsistence work in the reproductive sector. The labor market was thus envisaged in terms of male workers who were heads of households and whose survival needs were met by the unpaid domestic labor of women.

As women increasingly entered the productive sector of the economy, many were not able to continue their traditional role as housewife. More importantly, with their newly-acquired economic position, many have challenged the traditional gender labor-division patterns. In addition, since the 1980s the world feminist movement has stimulated a woman's liberation movement in Korea. This movement has challenged existing social structures and gender discrimination. Over the past 30 years, women have become more visible in Korean society, and the ideal image of a woman has shifted from that of a housewife to that of a woman with a profession. However, this does not mean that women have been emancipated from their roles as housewives and mothers. As globalization has proceeded, the changing realities of women's daily lives are such that the demands on women from both work and family have become inextricably intertwined in the changing global economy.

Today, there is no narrowly defined role for women. Visions of the roles women should play in society seem to be split and multi-layered in contemporary Korea. The younger generation in particular tends to seek to liberate women from a fixed gender-identity pattern. As cultural differences increase between young and old, between men and women, and among social classes, rather than having one fixed gender identity women have more possibilities for constructing multiple self-identities, choosing from a number of new and diverse lifestyles.

Many women want to enjoy more freedom and independence than they did in the past. Traditional distinctions of gender roles, which set men and women apart, are being transformed into a mosaic of complex and delicate variations. For example, one important change is that being a housewife is no longer a major goal of women who want to be happy. That image of the ideal female role model has been replaced by the professional woman, the so called "superwoman", who pursues a professional career while taking care of housework and child-rearing.

Conflicting images of women have also emerged. In the past, women also demanded that they be given the option of continuing to work after marriage. Now, advocates for women demand that being a housewife should be recognized as a legitimate option. The number of housewives working part-time after raising children has also increased. In the past, the main reason housewives worked part-time was to supplement the family income, usually to give the family more discretionary funds. Such part-time work did not drastically change gender roles, but it did give married women more economic autonomy and a larger role in the management of family finances.

Because of multi-layered expectations and contradictory demands on their time and energy, women in the Korean labor system, whether or not they are fully accepted as regular workers, face dilemmas. The official government image of the family, as seen in pensions and the tax system, still assumes a traditional household with a full-time housewife, and is therefore still disadvantageous for working women. The National Pension and Basic Old-Age Pension guarantee a woman's right to a divided pension upon divorce and remarriage, ensuring and recognizing her contribution as a care worker within the framework of the family system. According to 2005 national pension statistics, although steadily on the rise, women accounted for only 35.4 percent of the total number of subscribers to the national pension (National Statistics Office, 2007).

Furthermore, the norm that a woman's happiness lies in becoming a housewife and mother has been internalized and reinforced by some women. Wives with full-time jobs are still expected to carry the burden of housework in their home. In a national survey conducted in 2006, 87.4 percent of joint breadwinner families answered that women shoulder all the housework, while only 10.0 percent divide the work equally. In addition, 71.3 percent of men were still of the opinion that most of household work should be allocated to women (National Statistics Office, 2007). The social norm that the mother should be responsible for child-raising has not changed yet, and therefore facilities for helping with child-rearing, such as nursery schools, are still insufficient; 47.9

percent of women and 43.7 percent of men felt that issues pertaining to childcare were a hindrance for professional women, while 64. 9 percent of women who abandoned the workforce to become full-time mothers answered that the primary reason was to take care of their children (Ministry of Gender Equality and Family, 2005). At the same time, women who quit their jobs to concentrate on raising children did not necessarily have more free time and were not as psychologically fulfilled as women who continued working. These results show how women are still internalizing traditional gender roles within the family, and the way in which structural adjustment has generated a "triple burden" for women as housewives, mothers and workers, and globalization has served to reinforce these trends.

Nevertheless, we have recently witnessed in Korean society, where globalization and compressed social development are taking place, a rapid transformation in the attitudes and expectations toward gender roles both in the family and at work. A recent nationwide survey by Yi Dong-Wŏn (2001) shows some concrete examples of these changes in family values and attitudes toward gender roles. For example, about 63.0 percent of 1,532 total respondents in a survey did not agree with the statement that "women should quit their job to concentrate full-time on child-rearing". Women in their twenties held the strongest opinion on this issue; 23.0 percent of them strongly disagreed with that statement, while only 9.0 percent of the male respondents and 8.0 percent of respondents in their fifties and sixties gave that response. Yet about 37.0 percent of respondents, mostly males and those in their fifties and sixties, still thought that women should quit their jobs after marriage or childbirth. Here we see generational differences as well as gender differences regarding perceived gender roles.

Another example of changes in gender roles is related to the question of women's happiness. The same survey results suggest that only about 6.0 percent of female respondents in their twenties thought that a woman's happiness depended on her husband's or children's success, while 34.0 percent of female respondents in their sixties and 42.0 percent of total respondents thought that it did. Male respondents in their twenties also showed a relatively liberal opinion on gender roles in comparison with other age groups.

In addition to the changes in general attitudes toward gender roles and family values, we have seen changes in gender images appearing in the media, indicating a shift in the boundaries previously set between men and women. The influence of the mass media has increasingly grown over the last 30 years, playing a crucial role in reshaping the image of women. Women are more frequently depicted in the mass media as being active, powerful and sometimes even aggressive, rather than smiling, passive, gentle, mysterious and sexually appealing, as depicted in the past.

The image of a "strong and independent woman" has been admired by young women, especially those in their twenties. This longing for strength and independence reflects the fact that women increasingly feel they need a job that will earn them admission into the productive sector of the economic system. Yet women's independence in Korea seems to be "nothing but a new topic for the

media and is consumed only while it sells", as a feminist scholar points out (Yi 2000). The reality seems a long way from the image of a "strong and independent women".

At the same time, the ideal male image also has changed from being strong and robust to include feminine features such as gentleness and beauty. Young men have started openly to show an interest in fashion, and have become more conscious of being seen as a "cute smart man", indicating perhaps a certain feminization of men. Moreover, it is no longer unusual to see men appearing in commercials for electrical appliances, detergents or food. Men have gradually begun to assume some responsibility for household work, and this in turn has given women more time of their own. These trends will contribute to an improvement in women's social and family positions.

Changes in the images of women and men have also altered many aspects of family life, especially how women chart their lives, and their ideas of marriage, sexuality, reproduction and divorce. The nationwide survey on family culture in Korea by Yi Dong-Wŏn and others (2001) cited above, underlines some of these changes. For example, more than half of the respondents (53.0 percent) thought that men could stay home and do domestic work while women went to work. For another, a woman with a job (or who has the possibility of getting one) is much preferred as an ideal spouse among young males and their parents. According to another survey conducted by the Ministry of Gender Equality (2005), 75.0 percent of respondents wanted to have a double income family. About 50.0 percent of married male respondents wanted their wives to work.

As noted above, the mass media have also placed emphasis on "the professionalism of housewives", implying that being a housewife is an important profession and should be recognized as such. An increasing number of advertisements stimulate women to develop and adopt the self-identity of professional housewives. Household work is not presented as a gender-specific responsibility or as oppressive work for women, but as a way of life through which women can achieve their potential and find self-realization. Advertisements have therefore persuaded women to be proud of themselves as housewives. The professional housewife role-model convincingly conveys the possibility of women's self-realization through housework.

Yi Yŏng-Ja analyzed this new construction of the self-identity of professional housewives through what is called "Missy syndrome" and "body making" (Yi Yŏng-Ja 1996, 1997, 2000). The term "Missy", originally invented for consumer advertisements, was aimed at housewives between their late twenties and mid-thirties. Taken from the English word "Miss", the word emerged first in Japan to signify a married woman with a professional job. The phenomenon of the "Missy" in Korea refers to a young housewife who wants to keep up the appearance of being an unmarried woman and lead a "youthful lifestyle" regardless of her marital status or profession (Yi Yŏng-Ja 1996: 68–70). The Missy is expected to be not only to be a professional housewife and a perfect mother, but also a young, sexy, good-looking and culturally sophisticated woman. Her ability to perform all of these roles serves as a basis for the construction of

self-identity. She offers a new model of superwoman different from those in the past (Yi 2000). Contrary to the previous generations of housewives, the Missy appears to take marriage and family as steps toward self-development rather than treating them as ends in themselves. The so-called "five S" characteristics of a Missy are smart, slim, sexy, speedy and self-controlled; these are the standards of a "true Missy". A woman who wants to be a "true Missy" should have a life plan for herself and her family, and manage the lives of her family as well as her own, as if she were a professional manager. A "true Missy" has to have a feeling of accomplishment and satisfaction from being a housewife as well as from what she has done for her family (*Kyŏnghyang Sinmun* 1994–05–15). The Missy image presents a model that embodies self-realization and personal development. Unlike the image of women in the past, for whom appearance, sexuality and body enhancement were not primary concerns, the Missy adds to the image of an ideal housewife the characteristics of sexuality and the feminine charms of an unmarried young woman. This Missy image has created Missy fashion and the "manager-woman look". Such an image appeals to a younger-generation female who does not want to give up the pursuit of self-identity and the desire of self-expression on account of marriage and family life.

Yi (2000) argues that the images of the Missy leads younger women into believing that the existing patriarchal institution of marriage and its oppressive conditions for housewives can be easily overcome through a woman's individual abilities, and that the self-realization of a housewife depends solely on individual choice and effort. According to Yi Yŏng-Ja, the Missy image, fabricated for advertisement purposes, is nothing but a marketing strategy, riding on the growth of women's consciousness and their desire for being autonomous, confident and at the same time charming and attractive. This market strategy for inducing consumption thus enhances self-confidence in contemporary women who otherwise have feelings of self-loss and low self-esteem. In short, the role of the professional Missy housewife promotes consumption, increasing the housewife's workload in the name of professionalizing housework. Furthermore, it produces a social milieu that enhances gender identity based on family roles instead of occupational position, by stimulating consumption and competitive role-performance among married women. Consequently, women who eagerly adopt this professional housewife role model may only end up with a self-identity that is further subordinated to the patriarchal gender identity. Consumption, which encourages women to become self-expressive through means of fashion, appearance and home appliances, proffers the illusion that gender identity within a patriarchal cultural system is equivalent to women's individuality, leading women into a process of active assimilation.

Conclusion

The changing global political economy has had a dramatic effect on South Korea, and on the lives of women in particular; who have become increasingly integrated as important players in its production and consumption processes. As

changing gender relations is one of the central aspects of the globalization process, recent South Korean governments have been compelled to recognize the importance of gender and to pay more attention to gender issues than did past governments. Elite Korean women have succeeded in placing women's rights at the heart of political discourse. Responding to the "political struggle" of feminist and women activists in South Korea, the Kim Dae Jung government established the Ministry of Gender Equality in 2001 to deal with gender issues.

Since the 1980s, there has been an increase in legislation dealing with women's issues. This has partly been a function of government departments giving greater priority to issues affecting women. These initiatives have been accompanied by the institutionalization of administrative machinery for implementing policies aimed at women. Government policies on women, as a whole, cover a range of issues, from the abolishment of discrimination to the formal recognition of equal rights. In 1995, the Committee for the Advancement of Globalization declared ten important tasks for the expansion of women's ability to contribute to society. This has led to greater societal recognition of the importance of the female labor-force as a human resource much needed in the globalization process.

The Korean government is now legally obligated to take appropriate measures to ensure gender equality in employment. The active role of the government is crucial in dealing with widespread inequalities in the labor market of the Korean economy. If economic development improves women's status, as it should, it will lead to gender equality in the long run. In the meantime, the government needs to be more gender-sensitive in formulating development policies. More women also need to be involved in the decision-making process. In short, women's issues have to be integrated into the very core of the national development plans.

Since young women's occupational aspirations seem to be very strong, women's demands for fair employment opportunities are expected to grow louder. Higher education has contributed to the changing status of women. However, it is evident that new opportunities deriving from globalization alone cannot solve many of the problems women face, especially since they are often still expected to divide their time between their careers and families. In this sense, globalization has only increased women's overall workload. The integration of the Korean economy into global networks of capital and social relations cannot lessen gender bias in Korea so long as women remain tied to their traditional role in the family. There is still much work ahead before attaining the complete liberation and full development of the gender identity of Korean women.

Notes

1 This chapter treats globalization as a process involving the integration of a country into a wider network of global capitalistic and social relations.

2 From 2000, the government used a new classificatory system ("hours of work per

week") for employment status, instead of the old one ("full-time, temporary, and daily employment").

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2 Regionalism in Korea

Regional origin imbalance in the leadership structure of South Korea

Eui-Young Yu

Introduction

The term "regionalism" refers to the general practice of discrimination from the people of a certain region toward the people of another region. However, regionalism as it exists in Korea today is a major social issue referring to the practice of discrimination toward Honam-born people in particular by people born outside the region. Prejudice and discrimination toward people of the Honam (Chŏlla) region are deeply rooted practices evident throughout the history of the country (Ko Hŭng-Hwa 1989; Song Bok 1990). Despite the rapid urbanization and industrialization that Korea has undergone for nearly half a century, the practice of regionalism still remains an important pillar of the country's social structure to this day.

Regionalism surfaced as a crucial social issue in Korea during the country's process of transition from a long-held authoritarian system to its modern participatory democracy (Kang Myŏng-Se 2001; Kim Sŏng-Kuk 2004). Regionalism has been exploited as a major resource in gathering votes in the electoral process (Chŏng Kŭn-Sik 1997; Choe Yŏng-Jin 1999), and as a means of regime maintenance during the 30-year military rule (1961–1991) of Park Chung Hee, Chun Doo Hwan and Roh Tae Woo (Nam Yŏng-Sin 1992; Kim Man-Hŭm 2002; Ma In-Sŏp 2003).

The three-way competition among Kim Young Sam, Kim Dae Jung and Roh Tae Woo in the 1987 presidential election relied heavily on regionalism as a key election strategy, and resulted in victory for Roh (also backed by the military) and, consequently, extension of military rule for another five years. Even after the end of military rule, regional voting continued to function as the decisive factor in the presidential elections of 1992, 1997 and 2002 (On Man-Kŭm 1997; Yi Nam-Yŏng 1998; Kang Myŏng-Se 1999, 2001; Yi Myŏng-Jin 2001; Yang Jai-In 2003).

Since the inception of the Republic in 1948, regional favoritism has been obvious in the appointment of high-level public officials who usually shared the same regional origin as the president. It had been argued that such favoritism was instrumental in building up the necessary support base required to compensate for the lack of legitimacy of military rule prior to 1992 (Bae Kyu-Han

1990). This type of regional favoritism reached its peak during the Chun Doo Hwan and Roh Tae Woo regimes (Yu 1992). Nevertheless, the practice of regional favoritism in the appointment of top officials continued unabated even after military rule was overthrown. It continued throughout the civilian regimes of Kim Young Sam, Kim Dae Jung, and Roh Moo Hyun.

The systematic practice of regional favoritism among top government officials in Korea has drawn serious attention from scholars in sociology, psychology, political science and public administration since 1980 (Hong Dae-Sik 1988; Korean Sociological Association 1990; Mun Sŏk-Nam, 1990; Nam Yŏng-Sin 1992; Yu 1992; Choe Han-Su 1996; Chŏng Kŭn-Sik 1997; Kim 1993; Hwang Tae-Yŏn 1997). Numerous articles and books have been published in recent years regarding the origins, nature, and social and political implications of the practice. Much of the research deals with the effects of regionalism in both presidential and parliamentary elections (Choe Jun-Yŏng and Kim Sun-Hŭng, 2001). Other research deals with regionalism as it relates to the appointment of top public officials in both the government and state-owned or -controlled companies throughout successive regimes (Yu, 1992; Park and Somanathan, 2001; Hong Ki-Yŏng 2003; Yang Jae-Jin 2003). Still other studies focus on strategic manipulation of regionalism by succeeding rulers and administrations (Yi Ri-Hwa 1983; Kim Mun-Jo 1990) and skewed patterns in the distribution of the fruits of economic development among different regions (Mun Sŏk-Nam 1984; Lew Sok-Chun and Sim Jai-Bŏm, 1990; Na Gan-Chae 1990; Yu 1990; Yi Myŏng-Jin 2001).

When Kim Dae Jung took the presidency in 1998, he became the first Honam man to head the country since Silla unified the three ancient kingdoms more than a thousand years ago. During his five-year tenure, Kim Dae Jung took measures to correct Honam's historical lack of government representation by appointing a sweeping number of Honam natives to top government positions for the first time in Korea's history. This Honam-heavy personnel shift resulted in a lack of representation from the country's traditional establishment class, particularly those from the Yŏngnam (Kyŏngbuk and Kyŏngnam Province) region. However, Roh Moo Hyun (Kim Dae Jung's designated heir from Yongnam), after becoming president in 2003, filled key positions in the *Chŏngwadae* (presidential office), the cabinet ministries and the prosecution and military arms of the government with Yŏngnam, particularly Pusan-Kyŏngnam, natives. Regionalism has once again surfaced as a controversial issue in presidential appointment practices (*Moodung-Ilbo* 2003–03–14).

The purpose of this chapter is to identify the nature of regionalism in Korea by examining levels of regional imbalance both in the country's political power structure and in societal leadership structures since the foundation of the Republic of Korea in 1948.

Data and method

One set of data utilized in this study comes from the *Yŏnhap Yearbook* series and its accompanying "Who's Who in Korea" directories published by *Yŏnhap*

News in 1990, 1995 and 2002. Another set of data is derived from the personnel search website of the *Chosun Ilbo* (www.dbchosun.com) in 2002. The *Yŏnhap News* data were utilized to examine the degree of regional over-representation or under-representation among top positions in administrative and judiciary branches of the government, as well as in state-run or -controlled corporations, since 1948. The *Chosun Ilbo* data were utilized to examine regional representation in the government as well as public and private corporations, universities and media outlets. These data were also utilized to study variations in regional representation within leadership structures of various occupational groups. The two sets of data coincidentally produced similar patterns of regional representation within various segments of Korean society, validating their statistical reliability as source material for this study.

South Korea was initially divided into five broad regions for the purposes of this study: (1) Seoul; (2) Central (Inchŏn, Kyŏngki, Kangwŏn, Taejŏn, Ch'ungbuk, Ch'ungnam); (3) Honam (Chŏnbuk, Chŏnnam, Kwangju); (4) Yŏngnam (Taegu, Kyŏngbuk, Kyŏngnam, Ulsan, Pusan); and (5) Cheju. North Korean-born persons were separately analyzed for the period prior to 2002, and were excluded altogether from the *Chosun Ilbo* Internet data for the purposes of this study since their numbers had declined to an insignificant proportion of the total South Korean population by 2002. This was a result of natural decline and virtually zero North to South migration since 1952. Seoul has been the nation's power center for the past 600 years and as such occupies a unique position as Korea's primary city, with most of the country's political, industrial, financial, and educational institutions heavily concentrated there. As a result, Seoul and its residents enjoy an exceptional advantage in opportunities compared to all other regions. Korea's Central region is considered neutral within the country's historical regional rivalry. Honam and Yŏngnam are the two regions exhibiting the longest history of regional antagonism. Cheju is an island province, geographically distant from the peninsula, and is therefore treated separately. As such, the Korean peninsula was divided into four final regions for this study – Seoul, Central, Honam and Yŏngnam.

An index of regional favoritism (hereafter referred to as the "index" or "favoritism ratio") was devised for this study in order to demonstrate relative degrees of over- or under-representation of people born in particular regions. The index is the ratio calculated by taking the proportion of people born in a certain region, and attaining a particular leadership position, divided by the proportion of the total population born in the region in question as of 1970. An index of 1.00 indicates an exact match between the two proportions, and points to neither over- nor under-representation for the region in that particular leadership position. An index of over 1.00 indicates over-representation, while an index below 1.00 indicates under-representation. For example, people born in the Yŏngnam region comprised 40.48 percent of top-ranking officers in the Ministry of Justice under Roh Moo Hyun's administration in April 2003. If we divide this number by 32.75 percent (the total percentage of Yŏngnam-born people in the population as of 1970), we arrive at a favoritism ratio of 1.24,

indicating that the proportion of Yŏngnam natives occupying top positions in the Ministry of Justice is 24.00 percent higher than the proportion of Yŏngnam-born people in the general population. By contrast, Honam-born people occupied 21.43 percent of top-ranking officers in the same Ministry. If we divide this by 24.09 percent (the total percentage of Honam-born people in the population as of 1970), we arrive at a ratio of 0.86, indicating a 14 percent under-representation rate for Honam-born people for the same leadership positions in the Ministry that year.

Statistics relating to population distribution by region of birth as at 1970 were used to compute the index of regional favoritism within power and leadership structures in various segments of Korean society as at 2002. The year 1970 is considered an adequate reflection of the latter years, since the majority of people in leadership positions in Korea as of 2002 were over the age of 30. In 1970, 8.67 percent of the Korean population was born in Seoul, 33.31 percent in Central, 24.09 percent in Honam, 32.75 percent in Yŏngnam and 1.23 percent in Cheju. In 2000, the proportion of Seoul-born Koreans increased to 15.59 percent; those born in Central stayed consistent at 33.00 percent, Honam-born individuals declined to 19.13 percent, and Yŏngnam and Cheju stayed steady at 31.07 percent and 1.21 percent, respectively. In 1970, individuals born outside South Korea constituted 2.15 percent of the total population, with a decline to 1.30 percent in 2000. Seoul and Central-born people together constituted 41.94 percent of the total population in 1970 and 48.59 percent in 2000. In the period between 1970 and 2000, Korea underwent a period of rapid urbanization and industrialization. Rapid population redistribution ensued, with Seoul at the forefront with the highest net increase and Honam experiencing the highest net loss. Other regions also experienced population redistribution, but net losses and gains were negligible and their numbers remained relatively similar in 1970 and 2000.

Overall power structure

In Korea, where power is heavily concentrated in the presidency, high-ranking officials in the administrative branch of the government are more or less synonymous with the nation's top power structure in general (Yu 1992). In order to understand the dynamics of regionalism as it relates to the appointment practices for these top positions, it is essential to examine the regional origins of the people occupying these positions throughout succeeding regimes/administrations of South Korea.

An extreme regional imbalance was observed in the administration of President Syngman Rhee between 1948 and 1960. One of the particular characteristics of regionalism during Rhee's rule was the high representation of North Korean-born individuals occupying top government positions. Of the 214 highest officials who served as cabinet ministers, vice-ministers and agency heads during this period, 21.96 percent were North Korean natives, with a favoritism ratio of 10.22 (Table 2.1; Yu 1992). Syngman Rhee, himself born in North Korea,

Table 2.1 Index of regional favoritism among top administrators, 1948–1990

Region of birth	*1948–1961*			*1961–1979*			*1980–1990*			*Total: 1948–1990*		
	Number	*%*	*Index*	*Number*	*%*	*Index*	*Number*	*%*	*Index*	*Number*	*%*	*Index*
Seoul	45	21.03	2.49	34	9.16	1.09	42	11.97	1.42	121	12.93	1.53
Central	68	31.78	0.98	92	24.80	0.76	90	25.64	0.79	250	26.71	0.82
Honam	12	5.61	0.24	48	12.94	0.55	41	11.68	0.50	101	10.79	0.46
Yŏngnam	42	19.63	0.61	114	30.73	0.96	141	40.17	1.25	297	31.73	0.99
Chechu	0	0.00	0.00	6	1.62	1.35	2	0.57	0.47	8	0.85	0.71
N. Korea	47	21.96	10.22	77	20.75	9.65	35	9.97	4.64	159	16.99	7.90
Total	214	100.00	1.00	371	100.00	1.00	351	100.00	1.00	936	100.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea (1968–1990)).

Notes

Top administrators: Cabinet Ministers and Government Agency Chiefs.

The index is the ratio calculated by taking the proportion of people born in a region in a particular leadership position divided by the proportion of the total population born in the region in question as of 1970.

Distribution of population by region of birth, 1970: Seoul 8.44%, Central 32.59%, Honam 23.57%, Yŏngnam 32.04%, Chechu 1.20%, North Korea 2.15%, Total 100.00%.

Table 2.2 Index of regional favoritism among top administrators, 1990–2002

Region of birth		*Administration*			
		Roh Tae Woo	*Kim Young Sam*	*Kim Dae Jung*	*Total*
Seoul	Number	10	28	13	51
	%	12.30	15.20	8.80	12.40
	Index	1.46	1.80	1.04	1.47
Central	Number	17	42	41	100
	%	21.00	22.80	27.90	24.30
	Index	0.64	0.70	0.86	0.75
Honam	Number	5	31	44	80
	%	6.20	16.80	29.90	19.40
	Index	0.26	0.71	1.27	0.82
Yŏngnam	Number	41	73	38	152
	%	50.60	39.70	25.90	36.90
	Index	1.58	1.24	0.81	1.15
Other	Number	8	10	11	29
	%	9.90	5.40	7.50	7.00
	Index	2.96	1.61	2.24	2.09
Total	Number	81	184	147	412
	%	100.00	100.00	100.00	100.00
	Index	1.00	1.00	1.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea) 1990, 1995, 2002.

Notes
Top administrators: cabinet ministers and government agency chiefs.

heavily favored the intellectuals, professionals and capitalists who had fled North Korea after 1945 and during the Korean War (1950–1953), and did not hesitate to appoint them to his government. Their favoritism ratio indicates a proportion of more than ten times the proportion of North Korean-born individuals in the general population at that time.

This pattern of a high level of North Korean representation in the government continued throughout the military rule of Park Chung Hee (1961–1979) and remained relatively high compared to the other regions during the subsequent regimes of Chun Doo Hwan (1980–1987) and Roh Tae Woo (1988–1991). Toward the end of Roh Tae Woo's rule, the North Korean favoritism ratio in the government declined significantly due to the aging process and natural decline of North Korean natives in South Korea. This particular imbalance was, however, not necessarily due to regional favoritism as much as to a selection process favoring the relatively high socio-economic status among many people who fled from the North to the South during the post-liberation and Korean War periods.

After North Korean natives, Seoul-born individuals have enjoyed the highest level of government representation since the foundation of the Republic in 1948. Their government representation was highest during the Rhee administration, at 21.00 percent of cabinet ministers and agency chiefs, with a favoritism ratio of

2.49. As the nation's primary social, economic and educational hub, Seoul has historically offered many more opportunities to its residents than any other region in South Korea, and Seoul natives are equipped with strong advantages to advancement in leadership and governmental positions. As in North Korean government over-representation, Seoul-native government representation also may have less to do with regional favoritism than with the advantages and opportunities enjoyed by those living in the nation's capital.

Regional favoritism becomes more apparent when we examine the representation of natives from Central, Honam and Yŏngnam in top government positions over time. During the Rhee period, Central natives showed the highest representation among the three regions, with a favoritism ratio of 0.98. The corresponding ratios for Yŏngnam and Honam natives were 0.61 and 0.24, respectively. On the other hand, Yŏngnam natives had the highest favoritism ratio when the heads of state were also from that region, which occurred for 36 years consecutively between 1961 and 1997. Favoritism ratios for Yŏngnam-born individuals in top government positions were 0.96 during the Park Chung Hee administration, 1.25 during the Chun Doo Hwan administration, 1.58 during Roh Tae Woo's administration and 1.24 during Kim Young Sam's administration (1992–1997) (Tables 2.1, 2.2). In 1997, when Honam-born Kim Dae Jung was elected president, the favoritism ratio for *Yŏngnam* natives in top government positions fell to 0.81 and that of Honam natives rose to 1.27 (Table 2.2). In other words, the proportion of Yŏngnam vs Honam representation saw a complete reversal as the head of state changed from a Yŏngnam native to a Honam native. This blatant reversal brought with it much criticism from the mainstream media, which overwhelmingly represented the status quo (*Dong-A Ilbo* 2001–09–20, 2003–01–03; *Sindong-A* March 2003; *Monthly Joong-Ang* April 1999; *Weekly Hankook* 2000–03–15). However, this brief break from tradition was quickly overturned when Roh Moo Hyun assumed the presidency in 2003. Roh's initial executive appointments of prime minister, cabinet ministers and vice-ministers produced a favoritism index in favor of Yŏngnam natives once again at 1.21, and a subsequent drop to 0.87 for Honam natives (Table 2.3).

One clearly observable pattern in regional representation is the consistently low favoritism ratio of Honam natives occupying top government positions from 1948 to 1997 (Tables 2.1, 2.2). Honam representation was particularly low during the Rhee presidency, as well as toward the end of Roh Tae Woo's regime. The extreme gap in favoritism ratios between Yŏngnam and Honam throughout the 1950s suggests a strong possibility that regional discrimination in the personnel practices of top government officials was at work.

During the period of military rule in Korea from 1961 to 1992, representation of Honam natives in high government positions somewhat improved, but their favoritism ratio never exceeded 0.55. Honam representation reached an all-time low, with its favoritism ratio at 0.26, toward the end of the Roh Tae Woo presidency. During Kim Young Sam's regime, the first civilian presidency after military rule, Honam's favoritism ratio remained low at 0.71, while Yŏngnam's ratio was high at 1.24. In fact, the only time Honam's favoritism ratio exceeded 1.00

Table 2.3 Index of regional favoritism among high officials of Roh Moo Hyun administration, April 2003

Region of birth	*Chongwadai (presidential office) senior officers*		*Ministry of Justice senior officers*		*All ministers*		*All vice ministers*		*Ministers and vice-ministers*		*Total*	
	%	*Index*	*%*	*Index*	*%*	*Index*	*%*	*Index*	*%*	*Index*	*%*	*Index*
Seoul	8.33	0.97	16.67	1.93	10.53	1.22	15.79	1.83	13.16	1.52	12.45	1.44
Central	33.33	1.00	19.05	0.57	26.32	0.79	21.05	0.63	23.68	0.71	20.17	0.61
Honam	20.83	0.86	21.43	0.89	26.32	1.09	15.79	0.66	21.05	0.87	26.61	1.10
Yŏngnam	37.50	1.15	40.48	1.24	31.58	0.96	47.37	1.45	39.47	1.21	39.91	1.22
Cheju	0.00	0.00	2.38	1.94	5.26	4.28	0.00	0.00	2.63	2.14	0.86	0.70
Total	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00	100.00	1.00
	n=24		n=42		n=19		n=19		n=38		n=233	

Source: "Chongbu insa punsok charyo (Analysis of Personnel Profiles of Government Officials)", *Munhwa Ilbo* April 14, 2003. www.munhwa.co.kr.

Note
High officials: Government officials of 1st Class or Higher.

was during Honam-born Kim Dae Jung's presidency (1998–2003), when it reached 1.27 (Table 2.2).

In contrast to the peak representation enjoyed by Honam natives during Kim Dae Jung's presidency, representation for Yŏngnam natives had taken a sharp downturn. However, despite this decline, the favoritism ratio of Yŏngnam people occupying mid-level and top-level positions in the government was still above 1.00 as at 2002. According to *Yonhap*'s "Who's Who In Korea", favoritism ratios reflecting a total of 508 mid- and top-level government positions in 40 government ministries and agencies as at 2002 were 1.57, 1.22 and 1.02 for Seoul, Honam and Yŏngnam respectively (Table 2.4). *Chosun Ilbo*'s profile of 1,032 mid- and high-level government positions as at 2002 shows similar ratios of 1.67, 1.08, and 1.00 for the natives of Seoul, Honam and Yŏngnam respectively (Table 2.5). What these numbers show is that, contrary to the popular notion that Honam natives received special treatment in all levels of government during Kim Dae Jung's regime, Honam and Yŏngnam natives actually exhibited similar representation across mid- and top-level government positions during this period.

Table 2.4 Index of regional favoritism among senior level government officials, 2002

Region of birth	*Number*	*%*	*Index*
Seoul	69	13.58	1.57
Central	116	22.83	0.69
Honam	149	29.33	1.22
Yŏngnam	170	33.46	1.02
Cheju	4	0.79	0.64
Total	508	100.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea), 2002.

Table 2.5 Index of regional favoritism among government officials, 2002

Region of birth	*Number*	*%*	*Index*
Seoul	149	14.44	1.67
Central	266	25.78	0.77
Honam	268	25.97	1.08
Yŏngnam	337	32.66	1.00
Cheju	12	1.16	0.95
Total	1032	100.00	1.00

Source: *Chosun Ilbo*, www.dbchosun.com, 2002.

The core of the power elite

Offices closest to the president, such as the president's secretary, special aides, and agency chiefs responsible for national security and safety, usually require significant personal confidence from the country's chief executive officer. As such, a certain degree of over-representation from the president's native region in these particular positions might naturally be expected.

During Korea's Third to Sixth Republics, however, the country was ruled by a string of military generals from the Yŏngnam region who exhibited a much more blatant form of regional favoritism. Throughout Park Chung Hee's successive rule of the Third and Fourth Republics, Yŏngnam natives occupied 50 percent of these core government positions. This proportion increased to 65 percent during the Fifth and Sixth Republics of Chun Doo Hwan and Roh Tae Woo, respectively. Corresponding favoritism ratios for Yŏngnam natives during these regimes were 1.56 (Third and Fourth Republics) and 2.02 (Table 2.6). In stark contrast, Honam natives comprised only 5 percent of such positions (favoritism ratio 0.22) during the entire period of military rule from 1961 to 1992. During the same period, North Korean natives in the core power positions showed an average favoritism ratio of 4.73 (owing to a high proportion of people of North Korean origin among military generals in the early period of military rule). It is apparent that natives from Yŏngnam and North Korea constituted the vast majority of the core power elite, while people from the Honam region were severely shunned throughout the entire period of military rule.

Such skewed representation in favor of the President's native region continued during the Kim Young Sam and Kim Dae Jung regimes (Table 2.7). In 1995, under the Kim Young Sam administration, Yŏngnam natives occupied 45 percent of the core power structure, with a favoritism ratio of 1.42. In 2002,

Table 2.6 Index of regional favoritism among the core members of the power structure, 1961–1990

Region of birth	*1961–1979*			*1980–1990*			*Total: 1961–1990*		
	n	*%*	*Index*	*n*	*%*	*Index*	*n*	*%*	*Index*
Seoul	3	13.64	1.62	2	5.41	0.64	5	8.47	1.00
Central	7	31.82	0.98	3	8.11	0.25	10	16.95	0.52
Honam	0	0.00	0.00	3	8.11	0.34	3	5.08	0.22
Yŏngnam	11	50.00	1.56	24	64.86	2.02	35	59.32	1.85
Cheju	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00
N. Korea	1	4.55	2.11	5	13.51	6.29	6	10.17	4.73
Total	22	100.00	1.00	37	100.00	1.00	59	100.00	1.00

Source: Yonhap Tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea (1968–1990)).

Notes

Core members of the power structure: presidents, heads of the Presidents' Secretariats, ruling party chiefs, Supreme Council members, chief aides to the presidents, heads of the Central Intelligence Agency, and heads of the National Security.

Table 2.7 Index of regional favoritism among the core members of the power structure, 1995, 2000

Region of birth		*Administration*		
		Kim Young Sam (1995)	*Kim Dae Jung (2002)*	*Total*
Seoul	n	1	1	2
	%	9.09	8.33	8.70
	Index	1.08	0.99	1.03
Central	n	4	2	6
	%	36.36	16.67	26.09
	Index	1.12	0.51	0.80
Honam	n	1	7	8
	%	9.09	58.33	34.78
	Index	0.39	2.47	1.48
Yŏngnam	n	5	1	6
	%	45.45	8.33	26.09
	Index	1.42	0.26	0.81
Other	n		1	1
	%		8.33	4.35
	Index	0.00	2.49	1.30
Total	n	11	12	23
	%	100.00	100.00	100.00
	Index	1.00	1.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea) 1990, 1995, 2002.

Notes
Core members of the power structure: presidents, heads of the Presidents Secretariats, ruling party chiefs, Supreme Council members, chief aids to the presidents, heads of the Central Intelligence Agency, and Heads of the National Security.

under the Kim Dae Jung administration, Honam natives occupied 58 percent of the core positions, with a favoritism ratio of 2.47. In contrast, only 9 percent of the core power positions went to Honam natives during Kim Young Sam's regime (favoritism ratio 0.39), and only 8 percent of the top power positions went to Yŏngnam natives during Kim Dae Jung's rule (favoritism ratio 0.26). This pattern of extreme over-representation from the president's native region and the corresponding extreme under-representation from the rival region in the core power elite of the government seems to have remained remarkably constant through both military and civilian regimes.

Top managers of the nation's economy

Along with other top national officials, including presidential aides, top security officials, generals in the armed forces and executives in the prosecution wing of the government, top managers of the nation's economy also constitute a vital segment of the power elite (Mills 1959). A familiar skewed pattern of regional representation is apparent among officials in charge of economic planning,

financial management, budget and resource allocation, tax collection and monetary policy in Korea since 1948. During the Syngman Rhee administration, those individuals in charge of the nation's economy were from North Korea (favoritism ratio 9.30), Seoul (favoritism ratio 3.16) and Central (favoritism ratio 1.02) (Table 2.8). During Park Chung Hee's regime, approximately 72 percent of the top officials of the nation's economy were from North Korea (favoritism ratio 8.37), Seoul (favoritism ratio 1.90) and Yŏngnam (favoritism ratio 1.19). During Chun Doo Hwan and Roh Tae Woo's administrations, a clear pattern of regionalism skewed toward Yŏngnam natives began to emerge, with 70 percent of the top national economic managers hailing from either North Korea or Yŏngnam. The favoritism ratio for Yŏngnam natives during this period was 1.65, representing 53 percent of all top economic affairs officials. This favoritism ratio showed an immense increase from 0.62 during Syngman Rhee's rule to 1.19 during Park Chung Hee's rule, and finally to 1.65 during the Chun Doo Hwan and Roh Tae Woo periods. Yŏngnam's high favoritism ratio continued into Kim Young Sam's administration, at 1.23 or 39.5 percent of the total (Table 2.9). This almost uninterrupted rise in the Yŏngnam (Kyŏngsangdo) favoritism ratio among the nation's top economic officials abruptly reversed and fell to a mere 0.56 when Kim Dae Jung assumed the presidency.

A second distinct pattern in regional representation among the nation's top economic affairs officials is a consistently low favoritism ratio for Honam natives prior to the Kim Dae Jung administration. Among the 116 chief executive officers of the Ministry or the Agency in charge of national economic planning and management listed in *Yonhap*'s "Who's Who in Korea" from 1948 toward the end of military rule in 1990, not a single person from the Honam region was present. People from Honam were completely shut out from any powerful position related to the nation's economy. When Kim Young Sam assumed power, a few Honam natives were appointed to top positions in the economic Ministry and Agency, but their favoritism ratio remained low at 0.39. Only the change to a Honam native as president finally broke the long-held tradition of extreme under-representation of Honam natives in the area of national economic policy. Kim Dae Jung's administration saw the appointment of many Honam natives in this government sector, producing a record-breaking favoritism ratio of 1.74, representing or 41.00 percent of total top positions in national economic affairs.

Top commanders of the armed forces

Since Park Chung Hee consolidated power in South Korea through a military coup d'état in 1961, and until the end of martial law in 1992, the military has held an almost omnipotent position in the nation's political processes. During this period, only the closest confidants of the various presidents were appointed to the top posts of the three branches of the armed forces. Although the influence of the military waned after a civilian government was instituted in 1992, the ongoing confrontational situation between North and South Korea has worked to

Table 2.8 Index of regional favoritism among the top officials of the nation's economy, 1948–1990

Region of birth	*1948–1960*			*1961–1979*			*1980–1990*			*Total (1948–1990)*		
	n	*%*	*Index*	*n*	*%*	*Index*	*n*	*%*	*Index*	*n*	*%*	*Index*
Seoul	8	26.67	3.16	8	16.00	1.90	2	5.56	0.66	18	15.52	1.84
Central	10	33.33	1.02	13	26.00	0.80	9	25.00	0.77	32	27.59	0.85
Honam	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00
Yŏngnam	6	20.00	0.62	19	38.00	1.19	19	52.78	1.65	44	37.93	1.18
Chejhu	0	0.00	0.00	1	2.00	1.67	0	0.00	0.00	1	0.86	0.72
N. Korea	6	20.00	9.30	9	18.00	8.37	6	16.67	7.75	21	18.10	8.42
Total	30	100.00	1.00	50	100.00	1.00	36	100.00	1.00	116	100.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea (1968–1990)).

Notes
Top official of the nation's economy: heads of the Economic Planning Board, Ministries of Construction, Finance, Energy and Natural Resources, Korea Bank, Office of Procurement, National Tax Agency, and Customs Agency.

Table 2.9 Index of regional favoritism among the top officials of the nation's economy, 1990, 1995, 2002

Region of birth		*Administration*			*Total*
		Roh Tae Woo (1990)	*Kim Young Sam (1995)*	*Kim Dae Jung (2002)*	
Seoul	n	2	9	3	14
	%	7.40	20.90	7.70	12.80
	Index	0.88	2.48	0.91	1.52
Central	n	6	13	11	30
	%	22.20	30.20	28.20	27.50
	Index	0.68	0.93	0.87	0.84
Honam	n	7	4	16	27
	%	25.90	9.30	41.00	24.80
	Index	1.10	0.39	1.74	1.05
Yŏngnam	n	10	17	7	34
	%	37.00	39.50	17.90	31.20
	Index	1.15	1.23	0.56	0.97
Other	n	2		2	4
	%	7.40		5.10	3.70
	Index	2.21	0.00	1.52	1.10
Total	n	27	43	39	109
	%	100.00	100.00	100.00	100.00
	Index	1.00	1.00	1.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea) 1990, 1995, 2002.

Notes

Top officials of the nation's economy: heads and vice-ministers of the Ministries of Finance and Economy; Financial Control Board; Economic Planning Board; Finance, Industry and Natural Resources; Commerce and Resources; Commerce, Energy and Resources; Commerce and Industry; and President of the Bank of Korea.

perpetuate considerable military influence on national politics. The top ranks of the armed forces, as with other sectors of the power elite, have also been subject to an observable pattern of regionalism through the nation's recent history. During the Rhee administration, among 19 chiefs of staff of the three branches of the Armed Forces, eight (42 percent) were from North Korea, six (32 percent) were from Central and five (26 percent) were from Seoul, with zero representation from either Honam or Yŏngnam (Yu 1992). The regional composition among top generals changed drastically with the start of military rule. Park Chung Hee appointed Yŏngnam generals as ten (43 percent) of the 23 chiefs of staff during his regime, showing a favoritism ratio of 1.36 for Yŏngnam natives. Regional imbalance in this sector reached a peak during the Chun Doo Hwan and Roh Tae Woo administrations. During this time, 15 (94 percent) of the 16 chiefs of staff were Yŏngnam natives (favoritism ratio 2.93), with the single non-Yŏngnam general hailing from Central. Yŏngnam's high favoritism ratio continued through Kim Young Sam's regime, at 1.46. When Honam native Kim Dae Jung assumed the presidency in 1998, this ratio fell to 0.72 (Table 2.10)

Table 2.10 Index of regional favoritism among the top officials of the armed forces, 1990, 1995, 2002

Region of birth		*Administration*			*Total*
		Roh Tae Woo (1990)	*Kim Young Sam (1995)*	*Kim Dae Jung (2002)*	
Seoul	n	1	4	1	6
	%	10.00	26.70	7.70	15.80
	Index	1.18	3.16	0.91	1.87
Central	n	4	4	2	10
	%	40.00	26.70	15.40	26.30
	Index	1.23	0.82	0.47	0.81
Honam	n			5	5
	%			38.50	13.20
	Index	0.00	0.00	1.63	0.56
Yŏngnam	n	4	7	3	14
	%	40.00	46.70	23.10	36.80
	Index	1.25	1.46	0.72	1.15
Other	n	1		2	3
	%	10.00		15.40	7.90
	Index	2.99	0.00	4.60	2.36
Total	n	10	15	13	38
	%	100.00	100.00	100.00	100.00
	Index	1.00	1.00	1.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea) 1990, 1995, 2002.

Notes
Top officials of the armed forces: Minister of Defense, and Chiefs of Staff of the Army, Navy and Air Force.

and, for the first time, Yŏngnam dominance in top military positions was replaced by Honam dominance, with the Honam favoritism ratio showing at 1.63.

Heads of security and law enforcement

For the purposes of this study, heads of national security and law enforcement include Ministers of Justice, Ministers of Home Affairs, Chief Public Prosecutors, Auditor Generals, National Police Chiefs and heads of Observation, Control, and Purification Agencies between 1948 and 1990; and Attorney Generals, National Police Chiefs and heads of National Intelligence and Information between 1990 and 2002. Regional imbalance is observable in this sector of the government as well, with the most conspicuous pattern being a consistent lack of adequate representation from Honam natives. From 1948 to 1997, Honam natives never held more than 10 percent of total national security and law enforcement head positions at any one time. Favoritism ratios for Honam natives for this period were as follows: 0.21 under Syngman Rhee, 0.33 under Park

Table 2.11 Index of regional favoritism among the top officials of law enforcement and prosecution agencies, 1990, 1995, 2002

Region of birth		*Administration*			*Total*
		Roh Tae Woo (1990)	*Kim Young Sam (1995)*	*Kim Dae Jung (2002)*	
Seoul	n	1	1	2	4
	%	9.10	7.10	11.80	9.50
	Index	1.08	0.84	1.40	1.13
Central	n	2	1	2	5
	%	18.20	7.10	11.80	11.90
	Index	0.56	0.22	0.36	0.37
Honam	n		1	9	10
	%		7.10	52.90	23.80
	Index	0.00	0.30	2.24	1.01
Yŏngnam	n	7	11	3	21
	%	63.60	78.60	17.60	50.00
	Index	1.99	2.45	0.55	1.56
Other	n	1		1	2
	%	9.10		5.90	4.80
	Index	2.72	0.00	1.76	1.43
Total	n	11	14	17	42
	%	100.00	100.00	100.00	100.00
	Index	1.00	1.00	1.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea) 1990, 1995, 2002.

Chung Hee, 0.33 under Chun Doo Hwan and Roh Tae Woo (Yu 1992), and 0.30 under Kim Young Sam (Table 2.11). In sharp contrast, favoritism ratios for Yŏngnam natives in these positions rose from 0.86 under Syngman Rhee to 1.20 under Park Chung Hee, 1.56 under Chun Doo Hwan, 1.99 under Roh Tae Woo, and 2.45 under Kim Young Sam.

Yŏngnam dominance in this sector of the government was once again shattered when Kim Dae Jung became president; the favoritism ratio of Honam officials in top national security and law enforcement positions jumped to 2.24. The resulting Yŏngnam representation in the same positions dropped sharply to a favoritism ratio of 0.55. These ratios reversed themselves once again when President Roh Moo Hyun took power in 2003 and the Yŏngnam ratio rose back to 1.24 while the Honam ratio dropped back down to 0.57.

Top officials of the judiciary

Unlike other government sectors exhibiting clear signs of regional imbalance, the executive judiciary system is immune to this pattern. Both Yŏngnam and Honam justices have gained entry into top positions since 1948, and their respective proportions have increased steadily. Favoritism ratios among top

Table 2.12 Index of regional favoritism among supreme court justices and chief justices, 1990, 1995, 2002

Region of birth		*Administration*			*Total*
		Roh Tae Woo 1990	*Kim Young Sam 1995*	*Kim Dae Jung 2002*	
Seoul	n	3	2	2	7
	%	18.80	15.40	14.30	16.30
	Index	2.23	1.82	1.69	1.93
Central	n	3	1	3	7
	%	18.80	7.70	21.40	16.30
	Index	0.58	0.24	0.66	0.50
Honam	n	4	4	4	12
	%	25.00	30.80	28.60	27.90
	Index	1.06	1.31	1.21	1.18
Yŏngnam	n	5	5	5	15
	%	31.30	38.50	35.70	34.90
	Index	0.98	1.20	1.11	1.09
Other	n	1	1		2
	%	6.30	7.70		4.70
	Index	1.88	2.30	0.00	1.40
Total	n	16	13	14	43
	%	100.00	100.00	100.00	100.00
	Index	1.00	1.00	1.00	1.00

Source: Yonhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea) 1990, 1995, 2002.

judges between natives of the two rival regions were not significantly different from each other between 1948 and 1990 (Yu 1992), and the regional equity has continued since 1990 (Table 2.12). This balanced representation among higher officials in the legal system is due to the rigorous state examination one is required to pass in order to become a lawyer. This strict entry protocol does not allow much room for personal or regional connections, or favoritism, when it comes to personnel appointments within the court system.

Overall leadership structure in Korean society

Biographical data from *Joong-Ang Ilbo*'s 1999 "Who's Who" (*Wolkan Joong-Ang* No. 46, March 1999) and corresponding 2002 data from the *Chosun Ilbo* (www.dbchosun.com) were analyzed in order to examine regional balance or imbalance within the Korean leadership structure by major sectors of society (Table 2.13). The data found in these two sources include information on individuals occupying leadership positions in all sectors of society, in addition to information on the country's political leadership. It was found that favoritism ratios for the various regions remained surprisingly similar in 1999 and 2002. Favoritism ratios were significantly low – 0.68 in 1999 and 0.72 in 2002 – for Honam natives, indicating that they are considerably under-represented in the

Table 2.13 Regional favoritism among leaders of Korea, 1999, 2002

Region of birth	*1999 (Joong-Ang Ilbo)*			*2002 (Chosun Ilbo)*		
	n	*%*	*Index*	*n*	*%*	*Index*
Seoul	10,289	21.61	2.50	20,318	21.20	2.46
Central	12,560	26.38	0.79	24,660	25.72	0.77
Honam	7,818	16.42	0.68	16,531	17.24	0.72
Yŏngnam	16,142	33.90	1.04	32,747	34.16	1.04
Cheju	807	1.69	1.38	1,606	1.68	1.36
Total	47,616	100.00	1.00	95,862	100.00	1.00

Sources: "*Joong-Ang Ilbo* New Media Sinsang Jaryo (Personnel Data)", *Wolkan joong-ang* 46. March 1999 and *Chosun Ilbo*. www.dbchosun.com.2002.

general leadership structure of society compared to people from other regions. While Honam representation among high government positions may have shown improvement over time, Honam representation in the leadership structure of the country's private sector has remained very low compared to other regions.

By occupational categories

Regional origin imbalance in leadership structure stands out clearly when examined by occupational categories. Biographical data for 95,862 people appearing in *Chosun Ilbo*'s 2002 "Who's Who" list were analyzed. Seoul natives dominate most occupations, and prevail particularly in leadership positions among physicians, entertainers, athletes, researchers, entrepreneurs, financiers, educators, broadcasters, artists and lawyers. Yŏngnam natives show a favoritism ratio of nearly 1.00 in most occupations. Yet a relatively high ratio for Yŏngnam natives is observed in military leadership positions, confirming the long-held dominance of Yŏngnam generals throughout the country's lengthy period of military rule beginning in 1961.

In contrast, Honam natives exhibit a favoritism ratio of under 1.00 across all 17 occupational categories. Honam natives are particularly under-represented among leadership positions in the categories of entrepreneurs, physicians and entertainers, where their favoritism ratios do not exceed 0.6. In other words, Honam-born individuals are under-represented in general in all sectors of leadership, but particularly so among positions of wealth and prestige. Honam natives do show relatively balanced representation in the rank and file of the entertainment industry, but their representation as leaders in this sector is exceedingly low. More telling is the balanced Honam favoritism ratio in leadership positions among Buddhist monks, Christian ministers, poets, novelists and painters, where it exceeds 1.00. These positions are less affected by personal networking, and therefore relatively immune to regional favoritism.

Senior officers of state-controlled and private firms

Though many state-controlled or state-owned firms have been privatized in recent years, many firms still remain under government control. Chief executive officers and board chairmen of state-controlled firms are appointed directly by the president, and personal networking has played an important role in the appointment process. On the other hand, CEOs and senior board officials of privately-owned firms are appointed or promoted by the board of directors, stock holders, or owners of the individual companies. The influence of personal networking among owners and board members of these privately-held companies is often more powerful than in their state-controlled counterparts.

Senior officers of firms controlled or owned by the government

Biographical data on CEOs found in the *Yonhap News Korea Annual's* "Who's Who" list were analyzed to find relative degrees of representation by region of birth in government-owned or controlled firms in 1990, 1995 and 2002 (Table 2.14). Regional favoritism is very clear in the appointment practices of these firms. In 1990, under Roh Tae Woo, Yŏngnam natives enjoyed a favoritism ratio of 1.62 among CEOs in government-controlled firms. Their ratio was 1.67 in 1995 under Kim Young Sam. Both Roh and Kim are Yŏngnam natives. In contrast, the corresponding favoritism ratios for Honam natives were 0.12 in 1990 and 0.36 in 1995. In other words, Honam-born individuals were virtually excluded from top positions in state-controlled firms during both the Roh Tae Woo and Kim Young Sam regimes. Once again, this situation saw an abrupt change under Honam native Kim Dae Jung's presidency in 2002, when Honam natives comprised 36.96 percent of CEOs with a favoritism ratio of 1.53. While the favoritism ratio for Yŏngnam natives was somewhat reduced during Kim Dae Jung's administration, it still remained above 1.00. A similar regional origin composition is found among other senior officers in these government-controlled firms, including chairmen, presidents, associate CEOs and auditors. It

Table 2.14 Index of regional favoritism among chief executive officers (CEOs) of government-controlled corporations, 1990, 1995, 2002

Region of birth	*1990*			*1995*			*2002*			*Total*		
	n	*%*	*Index*	*n*	*%*	*Index*	*n*	*%*	*Index*	*n*	*%*	*Index*
Seoul	4	11.76	1.36	6	17.14	1.99	5	10.87	1.26	15	13.04	1.51
Central	11	32.35	0.97	8	22.86	0.69	8	17.39	0.52	27	23.48	0.70
Honam	1	2.94	0.12	3	8.57	0.36	17	36.96	1.53	21	18.26	0.76
Yŏngnam	18	52.94	1.62	18	51.43	1.57	16	34.78	1.06	52	45.22	1.38
Cheju	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00
Total	34	100.00	1.00	35	100.00	1.00	46	100.00	1.00	115	100.00	1.00

Source: Yŏnhap tongsin, *Han'guk inmyŏng sajŏn* (Who's Who in Korea) 1990, 1995, 2002.

becomes clear that appointment of senior officers of state-controlled firms was largely influenced by the president's region of birth.

Non-government firms

The traditionally skewed distribution pattern of Yŏngnam versus Honam senior officers in government-controlled firms achieved a semblance of balance under Kim Dae Jung's administration. In the private sector, however, the situation has remained virtually unchanged. Biographical data on a total of 2,943 senior officers of 76 major publicly-owned firms in 2002 were analyzed, and the following favoritism ratios were found (Table 2.15): 3.37 for Seoul natives, 1.07 for Yŏngnam natives, 0.75 for Central natives and 0.43 for Honam natives. The difference in favoritism ratio for Honam natives between government-controlled (0.90) and publicly-owned firms (0.43) is enormous. The probability of a Seoul native becoming a senior officer in a major publicly-owned firm in Korea is 6.8 times greater than that of a Honam native, and 1.5 times greater than that of a Yŏngnam native. A Yŏngnam native's chance of becoming a senior officer is 2.49 times higher than that of a Honam native, and a Central native's chance is 1.74 times higher than that of a Honam native. The results for regional origin distribution among senior officers in major publicly-owned firms found in this study are strikingly similar to the results found in a previous study in 1991 (Choe Wŏn-Kyu 1991). Regional imbalance is even more clearly pronounced when major publicly-held firms are examined on an individual basis. With the exception of a few major companies founded by Honam natives, such as Kumho, Meewon and Asiana, Honam-born individuals are rarely found among senior officers, regardless of the size of the company. Furthermore, in a number of major internationally known Korean companies, not a single Honam native can be found among the senior ranks of officers.

Print and broadcast journalism

As major opinion leaders, the media have always had a strong influence on the politics of regionalism. A total of 1,570 senior writers and officers in ten major

Table 2.15 Index of regional favoritism among senior officers – comparison between government-controlled and publicly-held corporations, 2002

Region of birth	*Government-controlled (n = 29)*			*Publicly-held (n = 76)*		
	n	*%*	*Index*	*n*	*%*	*Index*
Seoul	87	16.54	1.92	856	29.09	3.37
Central	161	30.61	0.92	731	24.84	0.75
Honam	114	21.67	0.90	308	10.47	0.43
Yŏngnam	159	30.23	0.92	1,027	34.90	1.07
Cheju	5	0.95	0.77	21	0.71	0.58
Total	526	100.00	1.00	2,943	100.00	1.00

Source: *Chosun Ilbo*, www.dbchosun.com 2002.

print and electronic news media outlets in 2002 were analyzed by regional origin for this study. As in other sectors of society, Seoul natives dominate the senior ranks of major news media outlets in Korea, with a favoritism ratio of 2.88. Ratios for other regions are as follows: 0.91 for Yŏngnam, 0.79 for Central and 0.75 for Honam. In leadership positions of the nation's news media, Honam's representation is again the smallest.

University professors

Personnel profiles of 14,732 university professors in 48 major universities from *Chosun Ilbo*'s 2002 *Who's Who* list were analyzed by regional origin. The data show that Seoul natives (favoritism ratio 3.33) have a probability five times greater than Central (favoritism ratio 0.65) or Honam natives (favoritism ratio 0.67), and 3.5 times greater than Yŏngnam natives (favoritism ratio 0.96), in becoming university professors.

Regional composition among university professors varies greatly depending upon the location and reputation of the particular university. In Seoul National University, Yonsei University and Korea University, Seoul natives comprise the majority of professors, with favoritism ratios of 4.76, 5.37 and 4.4, respectively. Honam natives, on the other hand, are rarely represented in these three prominent universities, with favoritism ratios of 0.36, 0.34 and 0.56, respectively. The probability of a Seoul native becoming a professor at Seoul National University is about 13 times greater than for a Honam native, seven times greater than for a Central native, and six times greater than for a Yŏngnam native. Regional discrepancies are even more pronounced in women's universities. At Ewha and Sookmyong Universities, Seoul-born professors have favoritism ratios of 5.93 and 5.27, respectively; Honam-born professors show extremely low favoritism ratios of 0.29 and 0.35, respectively. The probability of a Seoul native becoming a professor at Ewha University is about 20 times higher than that of a Honam native achieving the same. A Yŏngnam-born person has about twice the probability of a Honam-born person of becoming a professor at Ewha. Similar patterns also emerge in other prestigious universities in Korea, such as the Korean Academy of Industry, Science and Technology, A-Joo University, the Pohang University of Technology, and Hallim University. Three distinct themes are evident in the pattern of regional imbalance among professors in most of the top universities in Korea: (1) dominance of Seoul-born professors; (2) extremely low representation of Honam-born professors in universities outside the Honam region; and (3) favoritism ratios twice as high for Central and Yŏngnam natives compared to Honam natives.

Another pronounced pattern among university professors is the regular practice of staffing provincial universities with professors born in those particular provinces. This is especially true for universities located in the Honam and Yŏngnam regions. In five major Honam-based universities, Honam natives constitute between 62 and 89 percent of the professors. Yŏngnam-born professors, on the other hand, constitute less than 7 percent of the professors at these

Honam-based universities. Yŏngnam-based universities follow a similar pattern of hiring a vast majority of professors who are Yŏngnam-born individuals. Yŏngnam natives range between 66 and 83 percent of the professors at six major Yŏngnam-based universities. As expected, proportions of Honam-born professors at Yŏngnam-based universities are less than 4 percent at each of these universities. There is only token representation of Honam-born professors in Yŏngnam universities, and vice versa in Honam universities. It is apparent that Honam-born professors systematically avoid Yŏngnam-based schools, and Yŏngnam-born professors systematically avoid Honam-based schools. From these data, it is clear that regionalism is a powerful factor in the hiring processes of faculty members at these universities. Furthermore, the fact that Honam-born professors are extremely scarce in most universities based outside Honam is a clear indication that regional discrimination is both blatant and widespread in institutions of higher education. It is an unfortunate truth that this type of bias works against the most basic educational creed of excellence and high standards through fairness and equal opportunity.

Conclusion

This study has attempted to document the existence of regionalism in major sectors of Korean society by analyzing data from the *Yonhap News Annual* "Who's Who" list, and biographical data from the *Chosun Ilbo* website. The data presented here outline strong currents of regionalism prevalent in the core leadership structure of Korean society as a whole. For centuries, people born in Seoul and Yŏngnam have dominated the basic power structure, with Yŏngnam natives gaining greater dominance since Park Chung Hee's successful coup d'état in 1961. Until 1998, when Kim Dae Jung became the first Honam-born president, Honam-born individuals were systematically excluded from positions of power and leadership in the nation.

Upon his inauguration in 1998, Kim Dae Jung reshuffled the cabinet and appointed a large number of Honam natives to top positions of power. The majority of top positions in the administration were taken over by Honam natives, reversing the traditional dominance of Yŏngnam-born individuals. The new Honam majority was most apparent in the economic, security, law enforcement and information sectors. This reshuffling at the top eventually trickled down to lower levels of the bureaucracy; toward the end of Kim Dae Jung's administration in 2002, favoritism ratios between Honam and Yŏngnam natives in senior level positions in the government were more or less equally balanced.

Although the Korean government appears to be making some progress in terms of addressing the country's traditional gross inequalities, regionalism still exists in a very serious form in both the private and public sectors. Extreme regional imbalances are obvious in the leading news media outlets, industrial firms, and virtually all major universities. Politicians still manipulate regionalism as a major vote-gathering tool. Regionalism is apparent in appointments to the nation's top power positions. Korea has achieved miraculous progress in

economic development in past 50 years; nevertheless, widespread practice of region-based favoritism in the nation's political, economic and educational processes may hamper productivity in this age of severe global competition. The divisive nature of regionalism remains a barrier to democratization. As long as regional biases prevail over fairness in the country's hiring, appointment and promotion practices, national consensus and cooperation will be difficult to achieve. Bold measures and a concerted effort to raise awareness about the negative effects of regionalism may be necessary to root out this deeply-held ideology and practice in Korean society.

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Part II

Class politics

Introductory notes

Donald Baker

Globalization is usually viewed as a phenomenon grounded in economics. The erosion of national boundaries by the flow of capital and goods across those boundaries is usually identified as the main reason for the economic, social, political and cultural integration and homogenization to which we apply the term "globalization". Nevertheless, it is the non-economic impact of that flow that attracts the greatest scholarly attention, for it is non-economic changes in the environment in which we live that have the greatest impact on our daily lives.

In the preceding section, we saw how globalization has affected women and exacerbated regionalism in Korea. The next three chapters continue that examination of the social and political impact of globalization by looking at changes in labor-management relations in Korea and in the composition of Korea's labor force, as well as at how globalization has affected Korea's march toward a more participatory form of government.

Chang Yun-Shik presents an overview of how globalization, and the increasing sophistication and economic clout of Korea's labor force that globalization has stimulated, has dramatically altered the traditional authoritarian relationship between workers on the one hand, and employers and the government on the other. Until the last couple of decades, the traditional Confucian disdain of the educated for the uneducated shaped how businessmen and officials viewed those they employed and governed. Moreover, the need to keep wages low during the early stages of industrialization, when Korea first began to manufacture goods for export, exacerbated the inequalities in that relationship. The plans of the Park and Chun regimes for export-led growth required that workers be exploited. Park and Chun believed the only way the capital essential to development could be accumulated in sufficient amounts was to keep raises in workers' wages below the rate of improvement in their productivity. As a result, the contributions workers made to the shift from an agricultural to an industrial economy did not earn them the financial rewards or even the respect they came to believe they deserved. Instead, factory workers not only suffered from low pay for long working weeks; they also had to tolerate derogatory appellations, such as *kongsuni* (a female factory worker) and *kongdoli* (a male factory worker), that implied an almost congenital ignorance and inability to act and think for

themselves. They also had to endure “representation” by labor unions that were more tools of the government and employers than of their working class members.

However, as Chang relates, workers grew increasingly angry about the discrepancy between how much the Korean economy depended on their labor and how badly they were being treated. They began struggling at first for decent pay and treatment, demanding compliance with Korea’s ignored labor laws. Chang points out that the first workers to mount organized and sustained protests were female factory workers, since they were treated even worse than male factory workers were. By the 1980s, however, male workers had taken the lead in the struggle for workers’ rights. Moreover, frustrated after two decades of fighting for their legal rights, their focus changed from demands that their society adhere to its own rules to demands for a restructuring of society itself – one that would grant the working class social, political, and economic equality with other classes. The difficulties they encountered during that long two-stage struggle are vividly portrayed in two popular movies from the director Park Kwang-su, *A Single Spark* (about a actual garment worker in 1970 who committed suicide to draw attention to the abuse of his fellow workers) and *Black Republic* (about an activist student on the run in the 1980s who becomes a miner and gets involved with the miners’ labor battles).

However, a movie made about Korean workers in the last decade of the twentieth century or in the early twenty-first century would tell a different story. Globalization, by opening Korea to inspection by religious and labor organizations outside of Korea and by allowing Korean workers to see how workers in more advanced countries are treated, put pressure on the Korean government to respect the rights of workers and take into account their wants and needs. As Korea began democratizing in the 1990s, the government began to adopt a neutral stance in disputes between management and labor, both to gain the votes of workers in the now-relevant elections and also to gain legitimacy in the eyes of the outside world. A dramatic manifestation of the change in the traditional status of workers in Korea came early in the twenty-first century. In 2000, a Democratic Labor Party officially entered the political arena – the first time the Republic of Korea had granted a workers’ party legal recognition. In 2004, that party managed to win ten seats in the National Assembly in elections.

This new self-confidence of the Korean working class has created a challenge to worker solidarity from an unexpected direction. As Korea has grown richer, Korean workers have grown more reluctant to accept the low wages that are standard for jobs in the labor-intensive industrial sector that require little technical expertise. Rather than raising the wages they offered or making working conditions more attractive, many employers have taken advantage of the fact the globalization promotes not only the flow of capital and goods but also the transnational flow of workers.

As Hyun-Ho Seok shows, beginning towards the end of the 1980s, Korea began importing workers who would work for lower wages and in less comfortable conditions than would Korean workers. Such workers come from China

(some of them Korean Chinese, but others Han Chinese), Southeast Asia and even South Asia. The number of migrant workers has grown so large that the growing heterogeneity of Korea's population has become obvious on the sidewalks of Seoul and its suburbs. For a nation that has long bragged about its "racial homogeneity", this is an unexpected side-effect of globalization. How Korea will cope with the growing diversity of its resident population (not only are there more migrant workers every year; there are also more marriages between Koreans and non-Koreans, and such international marriages made up over 10 percent of all marriages that took place in South Korea in 2004) is still uncertain. Will Korean workers reach out to include migrant workers in their ongoing struggle for economic and social equality, or will they play the race card and demand that they be paid even more and be given even better working conditions to more clearly differentiate themselves from those "other people?" And how will the Korean people in general react? Will they embrace migrant workers and other newcomers to the peninsula as fellow Koreans, or will they discriminate against them, creating a new fault line threatening social cohesion in Korea?

Globalization is sometimes portrayed as a force of progress, as though the more different countries become integrated and alike, the better off everyone in those countries will be. Clearly, that is not the case. Globalization may solve some internal problems, such as a insufficiency of domestic capital, an immature domestic market, or a shortage of unskilled workers willing to work for law wages, but it also creates new ones, such as the exacerbation of gender inequality, the widening of regional inequality, or creation of new areas of ethnic tension. Hyun-Chin Lim even argues in Chapter 5 that globalization has worked against real democratization in Korea.

Political scientists often argue that exposing an authoritarian regime to the competition that rules global markets forces that regime to open up not only economically but also politically. That may be true in the long term. However, as we saw during the years of Park Chung Hee's forced march to modernization, sometimes governments become even more authoritarian for a while after they first open up to globalization and confront the new avenues of unrest that creates. Lim argues, moreover, that globalization, especially when it comes in the form of pressure to adopt neoliberal economic policies, actually interferes with democratization in the long term as well.

Lim believes that true democracy provides channels for those who are affected by the policies of their government to have some say in which policies are adopted. Unfortunately, globalization, by integrating the domestic affairs of individual nations more closely into global networks, gives individuals even less influence over the decisions that affect their lives, by placing those decisions in the hands of people and institutions that are far away. Globalization also strengthens the state vis-à-vis its own citizens because a globalized state acts with the support of international organizations such as the IMF behind it. To make matters worse, he argues, globalization, by insisting on a level playing field and equality of opportunity, allows and even encourages unequal outcomes.

A true democracy, he insists, should narrow rather than widen the gap between the rich and the poor, and between the powerful and the powerless. Neoliberal globalization does the opposite by preventing governments from intervening in free-market mechanisms to protect the weak and the poor.

Chang and Seok may not necessarily agree with everything Lim says. Nevertheless, all three agree that globalization brings unexpected, and sometimes unwelcome, consequences to societies forced to expose themselves to its hurricane-force winds. Moreover, they also agree that globalization continues to transform societies in new and unpredicted directions decades after they first opened their doors to admit the free flow of capital and goods.

3 Industrial workers, corporate employers and the government in South Korea

Chang Yun-Shik

In South Korea, industrial labor has been at the crossroads of the two waves of globalization – namely, democratization and the development of a capitalist economy. The latter gave birth to it, and the former guaranteed workers' constitutional rights to collectively protect their interests and welfare against those who hire them. However, the two waves have been at odds with one another since the very beginning. There was a wide gap between the constitution and the corporate employer regarding the concept of employee. The rights conferred to the employee by the constitution, if they are to be realized, have to be enforced by the government, honored by the employer, and effectively claimed by the employee. That the labor force has the right to claim what is due to it in the process of production is a modern concept, and the state and capital were not prepared to recognize this.

Abundantly available and relatively well-educated cheap labor was the only asset South Korea had when it launched a series of five-year economic development plans. The South Korean government even revised the labor standards law repeatedly in order to put a ceiling on wage hikes and to prevent workers from organizing themselves into unions and collectively bargaining with and protesting against the employers for wage increases and improvement of working conditions. In other words, the state went against the constitutional principle of conferring the three labor rights to industrial workers for fear that the workers' exercising their rights would interfere with state development plans. On the other hand, the state invited corporate business firms to become partners in pushing on the development project, and formed close alliances. They needed each other, and together kept workers' wages low in spite of the growing GDP and increasing labor productivity, in order to maintain the cutting edge that came from cheap labor. As such, the government, from the inception of capitalist development, was deeply involved in labor-management relations in South Korea. The authoritarian regime that earned the title of a developmental state had its labor force under its control. Industrial workers had to fight to exercise the rights that had been given to them.

To corporate employers, offering a job was in and of itself doing a favor to an employee. Employers were either unaware of or ignored labor laws regulating labor–management relationships. The wage was not conceived of as negotiable,

but as something the owner gave and which the worker should accept with appreciation. Most company owners deemed trade unions cumbersome and unnecessary (So Chŏng-Sŏk 1985: 499). Anti-unionism was stronger and effectively practiced more in large firms than in small or medium-sized firms (Kim Hŭng-Su, 1980: 231 and Yi Chin-Sŏp 1987: 360). The founder and chairman of the Samsung Group declared in 1972 that "I will have earth cover my eyes before a union is permitted at Samsung" (Ogle 1990: 126). Later, Chung Ju Yung, the founder and Chairman of the Hyundai Group, made an identical remark in 1987 (See Yu Bŏm-Sang 2001: 95). Employers also thought of their workers as ignorant and helpless employees without independent minds, incapable of forming a union on their own without the help of outside agitators. When workers demanded wage increases, corporate employers often ignored it by resorting to the police force of the state. Workers had to learn first that such rights existed, and then to fight to make them theirs.

The major aim of this chapter is to explain how industrial workers struggled against the government and their employers for their rights to claim what they deserved for their work through collective bargaining. A small number of "democratic" enterprise unions independent of employer control were born in the early 1970s, and they evolved into a national federation by the middle of 1990s, thereby succeeding in institutionalizing labor-management conflict. This narrative confirms the age-old thesis that people do not give up their power over others easily, and that others often have to fight for the power that is rightfully theirs. In the end, the two globalization process, capitalism and democracy, came to co-exist.

Syngman Rhee and labor unions

Historically, collective negotiation between corporate employers and employees with regard to working conditions began in the colonial period (1910–1945). A labor union system came into being in the 1920s, when factory workers organized themselves into a collective force against factory owners, mostly Japanese, demanding wage increases and better working conditions. In the colonial context, the labor movement became a conflict of Korean labor against alien Japanese management and authorities. Given the nationalistic tone of the union movement, the colonial government attempted to suppress it. Toward the end of the colonial period (1910–1945), union activities were banned and labor activists went underground (see Kim Yun-Hwan 1967, Yun Yŏ-Dŏk 1991: 46–235, Kim Kyŏng-Il 1992).

When Korea was liberated in 1945, the labor movement gained legitimacy, and labor leaders surfaced and formed various industrial unions. They took over and managed many of the plants and factories left by Japanese owners. At the national level, political leaders representing left-wing parties – the Committee for the Preparation of Korean Independence (Kŏn'guk chunbi wiwŏnhoe), the Korean Communist Party (Chosŏn kongsandang) and the Korean New Democratic Party (Chosŏn sinmindang) – together with selected leaders of industrial

unions, formed the Korean Council of Labor Unions (the KCLU, Chŏn'guk nodongja p'yŏnguihoe, or Chŏnp'yŏng). The KCLU thus came to provide leadership over most of the industrial unions. Its membership increased sharply, and it affiliated itself with the World Federation of Trade Unions in July 1946, which elicited the blessing of General Hodge, the supreme commander of the allied forces.

However, as the labor movement was so closely intertwined with ideological disputes during the transitional period under the US military control, its own agenda led to its rapid demise. The KCLU advocated a Marxist-Leninist socialist line of union movement (Kim Nak-Chung 1982: 58–59). It was openly pro-Soviet, while opposing the line of policy adopted by the US military government in the three-party talks (involving the United States, the Soviet Union and the United Kingdom) on the post-Liberation Korean issue. A large-scale demonstration in support of the Soviet position was staged in reaction to the decision of the representatives of the three allied forces at the Moscow Conference to impose trusteeship on Korea (December 1945), a decision which most other groups in South Korea vehemently opposed.[1] By way of stemming the left-wing labor movement led by the KCLU, the US military government assisted a right-wing group of labor leaders to form a union which later came to be known as the Federation of Korean Trade Unions (the FKTU, Taehan noch'ong) in November 1945, with the staunch anti-Communist Syngman Rhee as its president and the labor leader Chon Chin-han as its chairman. With the support of the US military government, the FKTU rose rapidly as a counterforce to the KCLU.

The KCLU leaders continued to organize large-scale strikes and work-stoppages, often using these occasions to demand the withdrawal of US troops from South Korea, and to oppose South Korea's plan to join the United Nations, the visit of the United Nations Committee on Korea, and the presidential and national assembly elections scheduled for May 1948. There were also many labor protests organized by specific industrial unions (all affiliated with KCLU), such as the Railway Workers' Union, the Electric Workers' Union, and the Textile Workers' Union. But the KCLU's involvement in the international rivalry among the occupied forces, and the violent nature of its protest actions, made it increasingly unpopular. Industrial conflict came to be viewed by the wider public as political action carried out by exclusively left-wing groups (see Kim Nak-Chung 1982: 75).

At the start of the First Republic (1948), and in spite of the ideologically charged politics of the national trade union, South Korea adopted perhaps its most liberal constitution, laying a solid foundation for democratic labor rights. The republican constitution promulgated in 1948 stipulated that all citizens had the right and duty to labor (Article 17), and guaranteed workers' three standard rights (Article 18). It even included a provision on sharing corporate profits between employer and employee.

On the basis of this constitutional prescription, a series of labor laws were prepared and finally promulgated in 1953. The Labor Standard Law stipulated labor conditions, guaranteed workers' minimum standard of living, and

promoted the development of a balanced national economy. The Trade Union Laws provided the three basic labor rights guaranteed by the Constitution, thereby maintaining reasonable working conditions for workers, and contributing to the promotion of their social standing and the development of the national economy. The Labor Dispute Regulation Law guaranteed the freedom of workers' collective action and regulated labor disputes, thereby maintaining industrial peace (Kim Yun-Hwan, 1967: 278–308; Sin Du-Bŏm 1970: 18–21; Kim Sa-Uk 1974: 86–88; Kim Nak-Chung 1982: 168–73).[2]

Syngman Rhee and subsequent regimes, however, developed labor policies that scarcely allowed an autonomous labor union movement, gradually discouraging industrial workers from claiming their rights. Democratization of union–management relations was considered desirable by those who drafted the constitution, but those who were in power were not prepared to practice it. From the beginning of the republican era (1948), the government had firm control over the FKTU – the only civic organization that could be mobilized to support government objectives. Born as a counter-union against the leftist KCLU, the FKTU indeed functioned as a government organ, as well as a vehicle for civilian leaders to enter national politics. Under the FKTU, national industrial unions were mostly government-dominated unions, acting more on behalf of company owners than of their employees. Union officials were, in the words of a labor law scholar, "opportunists", turning themselves into labor aristocrats (Sin Du-Bŏm 1970: 20). Labor brokers mediated the interests of labor unions and companies in favor of the latter.

A brief period during the Chang Myon regime witnessed a proliferation of independent unions (Kim Nak-Chung 1982 and Kim Sa-Uk 1974), but came to an abrupt end when Major General Park Chung Hee seized power through a coup d'état.

Park Chung Hee (1961–1979), the developmental state and the birth of the "democracy union"

When Park Chung Hee seized power, he was not prepared to see the development of a large-scale organization such as the FKTU as a political entity with a degree of autonomy. Organizational support, which could be rendered by the FKTU, was necessary for the sustenance of his power. The newly established Korean Central Intelligence Agency (Chung'ang chŏngbobu) (KCIA) reorganized the FKTU, brought it under government control, and transformed it into a patriotic organization loyal to Park. After launching the five-year economic development plan, Park's government used various means – including new labor and other laws and police forces – to make it difficult for workers to form unions at the lower level and thus to engage in collective bargains and protests. He viewed the role of labor unions as "conflictual, unproductive, and disruptive in the context of economic growth" (Choi 1989: 177). As the main (but junior) partner in the economic development project, corporate employers had the same view of labor unions and joined forces with the government in this effort of stalling union activities.

Deprived of institutional protection of their constitutional labor rights, industrial workers had to take what their employers offered for their labor without protest. Wages were kept low by the government. Each year, the Economic Planning Board set the ceiling for the wage level, which no firm was allowed to exceed. In 1971 and 1982, wages never exceeded half the minimum living expense for a family of five as estimated by the Economic Planning Board. The average worker worked more than ten hours a day throughout the entire development decades of the 1960s and 1970s. Many companies allowed workers to rest on only two Sundays per month, and most companies simply ignored the statutory or legal holidays. Basic laborers' welfare facilities, such as dining halls, exercise rooms, dormitories and dispensaries, did not exist or were inadequate (National Council on Churches of Korea (NCCK) 1984: 441). South Korea was ranked highest for industrial accidents, measured in terms of the frequency of accidents over the total hours worked per year. Production workers were also not properly protected from occupational disease. At another level, production workers "suffered the humiliation of 'low talk' in every communication from management" (Ogle 1990: 82). Beating as a form of discipline and punishment, and as "a way of taming ignorant workers", was rampant.

On 13 November 1970, a young garment worker, Chŏn Tae-Il, doused himself with kerosene and set himself on fire, uttering these last words: "The Laborer is also a human being … Honour the labor law … Do not exploit workers … Don't let my death be for nothing."[3] This was the message Chŏn left to his employers, government and society, to take cognizance of the plight of the workers. This extreme form of protest resulted from the frustration and anger Chŏn felt at the end of his fruitless efforts to improve his co-workers' working conditions.

Chŏn's self-immolation was a wake-up call to both industrial workers and employers. Labor protests spread among factory workers, and the number of incidents increased in spite of harsh government suppression, erupting into a massive nationwide demonstration at the end of the authoritarian era (1987). Existing statistics on the number of labor disputes in the 1970s vary from source to source (Table 3.1), but it is safe to assume that, on average, about 100 incidents occurred each year throughout the 1970s.

It was a group of young, mostly in their teens – female factory workers at various medium-sized-enterprises – who began a movement that eventually became a continuing nationwide labor struggle against their employers and the government. They fought for their rights to protect their interests and to be able to negotiate with management through a union which they themselves had organized. Democratization of the workplace was required to overcome their marginal position within the capitalist social order and ensure their position in the workplace and within the larger society as citizens, fully participating in the society on an equal basis. They were quite successful in pushing these demands through, and getting them recognized. Even though many conflicts did end in dissolution of the recently formed company union, and dismissal of the protest leaders, in other cases striking workers were able to persuade their companies to

Table 3.1 Number of labor disputes

	KLI[1]	*NCCK*[2]	*Choi*[3]
1964			126
1965			113
1966			117
1967	105		130
1968	112		135
1969	70		94
1970	88		90
1971	101	1,656	109
1972		346	
1973		367	
1974	58	666	
1975	110		133
1976	96		110
1977			96
1978			102
1979			105

Notes
1 KLI (unpublished)
2 NCCK 1984: 241–242, and
3 Choi 1989: 285).

agree to grant what they demanded. A rough enumeration of labor conflicts in the 1970s indicates that more conflicts ended with positive than with negative results (see Han'guk Kidokkyo kyohoe hyŏbŭihoe 1984, Yi Tae-Ho 1986; Kim Yun-Hwan 1982: 107).

Until the death of Chŏn Tae-Il (1970), the public had little understanding of a labor movement that was often smeared as being equated with left-wing politics. The national and industrial unions were unable to represent workers to their employers for the reasons already mentioned. In some cases, local industrial unions helped company management to subdue the protest activities of their employees. Many who could help – intellectuals, the press and other civic leaders – stayed away under government pressure. Chŏn Tae-Il's death was a protest against those who could help laborers, for their indifference to their plight, and a plea that they do something about it. Subsequently, the church and students responded and came to the workers' aid – Christian ministers under the influence of *minjung sinhak* (people theology – the theology that they developed in an attempt to help oppressed industrial workers under the military regime) in the 1970s, and student activists who rose against the developmental state of Park's government, which in their view was anti-people (*ban-minjung*), in the 1980s.

Many dissident church leaders reasoned that the labor force was regarded by the state and capital merely as an instrument of production and, consequently, workers' rights were largely ignored; they believed that the sufferings of God's people should not be neglected, and the church must act to protect their human rights as a gift of nature (Cho Sŭng-Hyŏk 1981: 6–7).

The Urban Industrial Mission (UIM, Toshisanŏpsŏnkyo) on the Protestant side (for more on the UIM, see Cho Sŭng-Hyŏk 1981, Ogle 1990, Chang 1998 and Koo 2001: 70–99) and the JOC (Jeunesse Ouvnere Chretienne, Young Catholic Workers) on the Catholic side (for more on the JOC, see Han 1984, Chang 1999 and Koo 2001: 70–99) provided educational programs designed for the development of workers "consciousness" – leadership training for democratic union activities, guidance for union workshop activities, and evening courses on labor ethics, labor law, and labor dispute arbitration – in order to help laborers to develop an organized capacity to protect their own interests and welfare, and to improve their working and living conditions. Both organizations were also often directly involved in labor conflicts. When a company expelled its employees for involvement in organizing a union, these organizations tried to help to reinstate the workers by directly negotiating with the company management. When labor disputes broke out, they would represent striking workers to the management, and help them to confer with government organizations. They helped those who resigned or were forced to resign from the companies they had worked for, for so many years, to receive due compensation. They protested against those companies which expelled their employees unjustly. Collectively, the UIM and JOC made it their practice to investigate industrial disputes, and they produced reports in order to make them available to a wider public. They also sent letters to the Office of Labor Administration protesting against their inaction or delayed action in obtaining benefits for industrial workers. They held numerous symposia to discuss the content of new labor legislation and opposed intended revisions of labor law which they judged to be antidemocratic, depriving workers of basic labor rights. They exposed poor working conditions and workers' suffering, as well as the corruption and inactivity of union leadership, and helped their trainees and others in organizing factory unions, sit-ins and petitions. UIM ministries and JOC offices provided shelter to those workers expelled from factories owing to their activism, and collected donations to help those who were jailed or expelled from their companies for their involvement in labor disputes. Though small in number – the number of UIM ministers never exceeded 25 at one time – and confined to certain areas geographically, these church organizations were responsible for producing a large number of labor activists. The most important labor disputes in the 1970s were organized by those who were trained by either UIM or JOC members. Workers associated with the UIM later played an important role in initiating union movements at workplaces without unions or with company-dominated unions, known as *ŏyong* unions (Ogle 1990: 89).

Chun Doo Hwan (1980–1987) and the growth of "democracy unions"

The death of Park Chung Hee (1979) raised high hopes for a return to democracy after the lengthy oppressive authoritarian period. The labor movement was revived. Many new enterprise unions were formed. Between the time of his

death in October 1979 and Chun Doo Hwan's seizure of power in May 1980, there was a nationwide eruption of labor protests – reportedly 2,601 cases (Kim Chin-Ok 1985: 301).

However, Chun's coup, on 17 May 1980, brought an end to "the spring of democratization" (*minjuhwa-ŭi pom*). Chun's labor policy was even more oppressive than Park's. His approach to labor problems was one of pre-empting disputes rather than dealing with them after they occurred.

While the Korean economy continued to grow rapidly, working conditions for waged workers did not improve much. Between 1975 and 1985 labor productivity increased 3.4-fold, whereas the real wage rose only 2.4-fold (Yu Bŏm-Sang 2001: 69). In an effort to correct this imbalance, the Ministry of Labor established the minimum wage at 10,000 won per month in the *Guideline for Wage Adjustment*, and instructed corporate firms with more than ten employees to adopt this standard (Han'guk kidokkyo sahoe sŏnkyo hyŏpwihoe 1985: 24). However, this change in wage policy did not adequately consider the consumer cost of living. The minimum wage was still lower than the minimum living expenses estimated by the Office of Labor Affairs in 1983 (Han'guk kidokkyo sahoemuje yŏn'guwŏn 1987: 60, Yi Chin-Sŏp 1987: 355) and, "At the same time," as Ogle pointed out, "the goods the workers were producing created a social-economic context of conspicuous wealth and rising expectations" (Ogle 1990: 107).

The rising discontent of workers was kept under control by Chun's repressive measures. The number of labor disputes reported in 1982 was 88 – the smallest number ever. The number of enterprise unions was reduced to 2,635 in 1980, from 4,091 in 1975; the number of union members dropped to 948,000 in 1980 from 1.1 million in 1979 (Yu Bŏm-Sang 2001: 75).

In the latter half of the 1980s, the labor front changed. In anticipation of the 1985 National Assembly election, the 1986 Asian Olympics and the 1988 Olympics, Chun adopted a series of "appeasement" policies (*yuhwa chŏngch'aek*) in 1984, allowing expelled activist students to return to school, university professors who had been forced to retire to get their jobs back, and "old" politicians (*kuchŏngch'iin*) who had been banned from politics to return it. Anti-authoritarian regime struggles by various citizen groups were also revived.

In 1984 alone, 157 new independent enterprise unions were formed – mostly at small and medium-size enterprises (those with less than 1,000 employees) – in various areas, including automobile transportation, shipping, metal, chemicals, textiles, publishing, the tourist industry and mining. There were 112 labor disputes over wages, delayed payment of wages, temporary or permanent closure of plants, dismissal, and other unjust labor practices and working conditions. In 1985, the year of the National Assembly election, the number of labor disputes increased to 265 – more than double the number in 1984.

Furthermore, the "democracy union" building movement that began at medium-sized enterprises finally reached large firms which employed more than 1,000 workers, especially giant firms known as *chaebŏl*. Large enterprises had been successful in not allowing their employees to organize unions, or in

making their existing unions more friendly to the company than to union members or employees. They had also paid higher wages than small and medium-sized enterprises did. The first major labor dispute at a large enterprise occurred at the Daewoo Motor in 1985. Subsequently, other *chaebŏl*, including Hyundai, experienced similar disputes. This event illustrated that the *chaebŏl* were no longer immune to collective action.

Another important development was the formation of unions above the level of enterprise. In 1985, those labor leaders of the newly born "democracy (enterprise) unions" organized themselves into a federation of enterprise unions called the Korean Labor Welfare Promotion Association (KLWP, Han'guk nodongja bokchi chungjin hoe) in order to consolidate their forces to campaign on the issues concerning a larger body of workers beyond individual plants – such as the abolition of the blacklist of "undesirable" labor leaders, the legalization of the Ch'ŏngkye apparel union (which became an illegal organization in 1982), and labor law reform. The birth of the KLWP was followed by the formation of other similar organizations – the Korean Federation of Christian Workers (Han'guk kitokkyo nodongja ch'ong yŏnmaeng), the Committee to Block Suppression of the Labor Movement (Nodong undong t'anap choch'i tuchaeng wiwŏnhoe), the Coalition to Promote Democratization of Kuro Region Labor Unions (Kurochiyŏk nojominjuhwa ch'ujin wiwŏnhoe yŏnhap), and the Coalition of the Seoul Labor Union Movement (Seoul nodong undong yŏnhap) (Yu Bŏm-Sang 2001: 76).

It should be noted, however, that "democracy unions" at giant (*chaebŏl*) firms did not join the above association; instead, they opted for unifying enterprise unions within the same *chaebŏl* group. Each *chaebŏl* group consisted of several interlinked companies pursuing different business lines, but under the administrative control of the group headquarters. Those striking workers realized that the head of their company was powerless in negotiating with them, since he was unable to make any decisions on his own without consulting with the planning office at the group headquarters. The size of the *chaebŏl* firm was such that company union leaders found it more advantageous to form a group-wide union rather than an alliance with other company unions in regional or industrial unions.

Such developments clearly differentiated the "democracy union" movement in the 1980s from that in the 1970s. In the 1970s, the labor movement was initiated and carried out by female workers employed by light industry firms; in the 1980s, the center of the movement shifted to male workers in the heavy industry sector employed by *chaebŏl* firms (Han'guk noch'ong 1988. 5: 13, quoted in Yu Bŏm-Sang 2001: 77).

Labor protests also became joint efforts among various unions. For instance, in 1984, Daewoo Apparel (in Kuro district) workers were joined by "democracy union" members from Hyosŏng mulsan, Karibong chŏnja and Sŏnil sŏmyu, all located nearby.

Another important difference between the two periods is that the labor movement in the 1980s became more ideology-oriented, or politicized. Many

"progressive" intellectuals, mostly former "movement circle" (*undongkwŏn*) students, became labor activists. Unlike church labor activists, students adopted a Marxist perspective in explaining the condition of urban industrial workers. Low or "starvation" wages were regarded as inevitable in the capitalist economic regime, because they were a result of profit-maximization efforts by the capitalists. Any system that demands the sacrifice of industrial workers who constitutes the majority of the population is, they argued, an anti-people system, and a people's revolution is thus inevitable – one that should be carried out by the people themselves, i.e. industrial workers. Student activists were determined to turn industrial workers into the major agents of a people's revolution that would bring true democracy and an end to elite rule. Unlike church ministers, who befriended and helped workers to regain legal and constitutional rights, following a liberal interpretation of biblical enjoiners, student activists exhorted workers with an anti-capitalist ideology. They came to view the labor movement as a class war (see Koo 2001: 100–125).

They began by demanding, through street demonstrations and other means, abolition of "bad" labor laws which severely restricted their constitutional labor rights. They joined striking industrial workers or jointly organized demonstrations. Student activists also offered "labor evening classes" for industrial workers. The initial aim of offering the labor evening classes was to prepare young workers who were unable to continue with their high-school education for examinations, qualifying them for a high-school diploma; however, the emphasis shifted to political education, intended to sharpen workers' political consciousness (Kitokkyo yahak yŏnhaphoe 1985: 29).

Some "movement circle" students became factory workers without revealing their student identity (the government and employers called this phenomenon "disguised employment" [wijang ch'uiŏp]) during the summer and winter vacations in order to acquire a factory life-experience, thereby directly experiencing the reality of labor problems and sharing the pain of people at the bottom of the social hierarchy. Many of those students who were expelled from colleges because of their involvement in protest activities became factory workers. They did what the dissident church leaders had done for (young female) factory workers in the 1970s, but not as outsiders. By joining the workforce themselves, they learned about the conditions under which industrial workers toiled; informed them about their constitutional labor rights; taught them how, under the capitalist economic system, the capitalist owners "exploit the employees who only have their labor to sell", thereby arousing their class consciousness; and located "progressive" laborers who eventually joined them as leaders. Student laborers and "progressive" laborers together formed democracy unions" at individual plants, including large (*chaebŏl*) enterprises, and district and industrial unions, and organized work stoppages and strikes. Toward the end of the 1970s, striking workers demanded more than pay increases and improvement of working conditions – they also demanded the end of the authoritarian regime and shouted anti-capitalist slogans. It was estimated (by the Agency for National Security Planning) that in the 1980s some 3,000 students quit university to

become labor activists. In disguise, they penetrated large enterprises to thwart the police and the company, which tried to closely guard itself against their invasion.

Roh Tae Woo (1988–1993) and the new labor politics[4]

The democracy movement culminated in a nationwide demonstration that lasted for two weeks in June 1987 (the June Struggle), which was followed by Roh Tae Woo's June 29 Announcement that promised an end to the authoritarian era and a return to democracy. The ensuing three months, from July to September, witnessed an explosion of union war against corporate management. Work stoppages that began at large enterprises before 1987 spread rapidly throughout the entire country, and took place at individual firms both with and without enterprise unions. As of the end of August 1.2 million workers, or 37 percent of those employed by enterprises hiring more than ten workers, participated in labor disputes. The total number of disputes reported to have occurred within the three-month period was 3,321, which is 13 times more than had occurred in 1986. What the striking workers demanded was not much different from in the 1970s: a wage increase, payment of unpaid wages, improvement of working conditions, suspension of unfair labor practices, and abolition of discrimination against production workers in terms of wages, bonuses and working conditions. Aside from these work-related demands, they also asked their employers to recognize their right to form enterprise unions, and, without waiting for permission, went ahead and organized themselves into independent or "democracy unions" or "democratized" the existing company-dominated unions. Between June and October 1987, 683 new enterprise unions were formed. (Nodongbu 1988: 55). The government refrained from intervening in labor disputes. Without the help of the police force, corporate employers had to negotiate with the striking employees by themselves, and agreed to many of the employees' demands. Of the 3,391 reported cases, 560 cases were resolved within a day and 556 cases within ten days (see Kim Dong-ch'un 1995; Koo 2001: 153–187).

Another noteworthy development during the great labor offensive, as it came to be known, was that the wave of labor protest also breached the wall that divided the world of manual or blue-collar workers from that of non-manual or white-collar workers. Union movements spread rapidly in banking (insurance and stock-holding) industries, mass media, publishing industries, government-affiliated research institutes, hospitals, and elementary and high schools.

Enterprise unions at small and medium-sized firms in the manufacturing sector formed district unions: the Masan-Changwon District Union, the Seoul District Union (Seoul nodong hyŏpuihŏe, or Sŏnohyŏp) and the Inchŏn District Union (Inchŏn nodong hyŏpuihoe or Innohyŏp). However, district unions thus formed did not join the FKTU, as they were critical of the Federation's past behavior – relying on the government for financial aid, and readily supporting and rendering service to the authoritarian government. Instead they sought to be an independent body, and formed the Headquarters for the Struggle for Labor

Law Reform (Chŏn'guk nodongbŏp kaejong tujaeng bonbu), which later (1988) became the National Congress of Labor (Chŏn'guk nodong p'yŏng'uihoe) (1989), and the National Labor Council (NLC, Chŏn'guk nodong hyŏpuihoe, or Chŏnohyŏp) (1990). It consisted of 16 district unions and two industrial unions, with a total of 600 enterprise unions and 200,000 union members. The NLC's major aim is to reform the structure of economic society, thereby fundamentally transforming the status (*chŏji*) of workers and ultimately achieving democratization, autonomy and peaceful reunification of the fatherland. As is apparent from the manifested aim, in organizing themselves into a higher union, democracy labor leaders now wanted to go further than merely fighting for pay increases, improvement of working conditions and reform of "bad" labor laws. Their ultimate aim was to change the existing economic social system into one more friendly to the working class, and to transform South Korea into a unified Korea that is more "democratic" and independent. They pledged to form an alliance with other "democracy forces" in order to bring "happiness" to 40 million Koreans by eliminating exploitation of workers by the current regime and a small number of *chaebŏls* (Kim Chun 2001: 295).

But neither *chaebŏl* group unions nor industrial unions joined the NLC. Instead, they each formed a federation of their own at the national level: the Large Enterprise Solidarity Council (Daegiŏp yŏndae hoeŭi) and the Industrial Union Council (Sanbyŏl nojo hyŏpuihoe). The "democracy union" leaders in large corporations and in the non-manufacturing sectors were not as politically and ideologically motivated as were the district union leaders. Although some of them were former student activists who became labor leaders after 1987, they devoted themselves more to organizing *chaebŏl* group-wide unions than to politicizing them. Workers in the large corporations performing white-collar jobs were relatively better paid and better educated than those in small and medium-sized enterprises in the manufacturing sector, and hence labor leaders had much more difficulty in persuading them to join the movement to overthrow the current economic and political system.

When Roh Tae Woo became president in 1988, he initially adopted a labor policy that would promote self-regulation (freedom from government intervention), and cooperation (not conflict) and orderliness in labor–management relations.[5] He also promised to abolish the "wage guidelines" which instructed corporate management not to raise wages above a certain level. In addition, he said he would abolish the blacklist, restrain labor control by various government organizations, and deal strictly with management's unfair treatment of their employees (Yu Bŏm-Sang 2001: 198; Kim Kŭm-Su 2004: Ch. 3). With the government's declaration of its neutrality in labor disputes, corporate employers, from small to large enterprises, had to find a new way of dealing with their unions. The Central Assembly of Medium-Sized Enterprises issued a "A Proposal by Medium-Sized Enterprises on the Labor Problem in the Transitional Period" to the effect that they would try to accommodate workers' demands as much as possible and "guarantee maximally union activities, but at the same time … help the workers to understand the crisis situation they are facing" (Yu

Bŏm-Sang 2001: 134). However, the Roh government and corporate employers soon realized that their decision was premature. Labor disputes continued to erupt with a high frequency and in an increasingly violent form, and, contrary to expectations, labor–management relations appeared unlikely to stabilize at any time soon. The government altered its initial non-interventionist labor policy, and declared that it would intervene in labor conflict if and when it became necessary; deal forcefully with illegal labor disputes; prevent dismissed workers from joining unions; suppress the expansion of democracy union movements; intercept the alliance between anti-government groups and students and industrial workers; deploy the military against work-stoppages in strategic and key industries; and control wage increases (in order to maintain a one digit rate of increase) by bringing the "wage guideline policies" back into effect. The government maintained that workers were responsible for the "economic crisis", and should share the nation's pain and restrain from demanding wage increases. It introduced the "no labor, no wage" principle, and "a ceiling to the total amount of wage – the total amount of wage should not go up beyond the level the government considered to be appropriate". (Yu Bŏm-Sang 2001: 198–199).

Corporate sides also changed their minds regarding the new approach that was more receptive to workers' demands and protests, and became much more intransigent, when the government announced its intention not to get involved in industrial conflicts. The National Business Entrepreneurs Association (Chŏn'gyŏngyŏn) issued an "Emergency Recommendation for Resolving Labor-Management Problems," urging the government to form a committee consisting of representatives of the government, labor unions, business enterprises, and the ruling Democratic Justice Party (Minjŏngdang) and the opposition Unification Democratic Party (Tongil minjudang), and to call a meeting to explore ways to prevent the "paralysis" of industrial activities. The recommendation stated that business enterprises could no longer cope with the current labor problems alone, and pleaded for the government to deploy police power in dealing firmly with labor disputes that infringed upon law and order, and to intercept and ferret out intervention from outside forces. Various employers' associations then organized themselves into a federation, the Federation of Business Enterprise Groups (Kyŏngjein tanch'e yŏnhaphoe), in an attempt to form a united front with the government.

With less help from the government regarding labor-dispute control, corporate employers took it upon themselves to do what the police used to do for them. However, as violent confrontations continued at the workplace, both corporate owners and unions came to realize that this was too costly to both sides and began to search for other means of avoiding or dealing with labor disputes in a peaceful manner.

Large corporate firms shifted their attention to building "a political order at the work place through scientific labour management, cooperative labour management relations, and making some or considerable concessions to workers' pay increase demands" (Yu Bŏm-Sang 2001: 256). They also found a way of reducing labor costs by switching to capital-intensive production and automation

of the production process; diversifying parts procurement; investing in and moving plants to overseas locations; and recruiting "non-standard" (*pichŏngkyuchik*), un-unionizable (temporary, contract and daily) workers to replace unionized or unionazable "regular" (*chŏngkyuchik*) workers (Kim Kŭm-Su 2004: 76–81).

On the other hand, small and medium-sized enterprises opted for an easier way out. Many of them simply closed down temporarily before or after a strike, reopening later. This method was used as a way of warning striking employees that closing down the firm was a possibility if demands were excessive, and that they would suffer the consequences.

The government and business enterprises may not have regarded the rapid rise of the independent or "democracy" labor union as a welcome development, but they have now come to recognize it as an organization that represents employees, and is therefore a force to be reckoned with in managing the workplace. By 1989, the number of enterprise unions had increased to 7,861 from 2,725 in June 1987 (Han'guk nodong yŏn'guwŏn 1993: 173).

Kim Young Sam (1993–1997) and the consolidation of labor[6]

Kim Young Sam became president in 1993. As the first civilian president following three decades of rule by former military generals, President Kim had an ambitious plan to cure old "Korea diseases" (*han'gugpyŏng*) (Mammonism and excessive consumption, corruption, regional antagonism, etc.) through a democratic manner and building a "New Korea" (*sinhan'guk*).

Labor conflict and militancy was one of the major policy concerns of the new government. Kim Young Sam, however, adopted a peaceful rather than confrontational approach. In pursuing a new policy on wage increases, the Kim Young Sam government put an emphasis on mutual agreement through negotiation between labor and management regarding the range of increases, instead of the government unilaterally deciding on a guideline and forcing it on business enterprises, as the Roh government had done.

On 9 February 1993, the FKTU president, representatives of various industrial unions and five directors of employers' associations met and agreed on a 4.7–8.9 percent increase, and issued the "1993 Central Labor-Management Agreement on Wage Adjustment". The FKTU regarded the Agreement as a case of "social consensus" (*sahoejŏk habŭi*) – i.e. not of conflict – and boasted of their achievement as "eliminating government interference and establishing autonomy in labor–management relationships for the first time in the history" (Kim Chun 2001: 409).

However, the Agreement was not well received by enterprise unions affiliated with the FKTU. Most FKTU-affiliated industrial union leaders questioned the validity of the Agreement, as they claimed that they never delegated the FKTU to represent them, and the wage increase agreed upon was considered far below what they expected. The NLC regarded the Agreement as "a product of behind the door bargaining, not of open negotiation", and accused the FKTU leaders of

"playing the role of bridesmaid to the government and capital [i.e., corporate employers] in their effort to create a social climate for a one-digit wage increase". They even held a rally to condemn the agreement (Kim Chun 2001: 411). The FKTU was further discredited when the government altered – at the instigation of employers' associations – the February Agreement on wage increases without consulting the other parties. The FKTU leaders felt betrayed, and came to realize that establishing "consensus" among the three parties through talks by representatives at a table was not easy.

In May 1994 the FKTU issued the "FKTU Development Announcement" (Noch'ong palchŏn sŏnŏnmun), which stated that

> although the FKTU has continuously endeavoured to reform, there is still criticism about the autonomy and democratic character of our organization. We must prepare ourselves to carry out the historical task in the wake of changing situations surrounding the labour movement such as democratization and globalization. We will therefore pursue the four central tasks: enhancement of union autonomy, strengthening of democratic character, enhancement of moral character, and the grand solidarity of labour organization.
>
> (Kim Chun 2001: 417)

More specifically, the Announcement stated that the FKTU would establish "labour unionism for the building of a democratic welfare society" as the guideline for its movement, with an emphasis on union autonomy (or independence), participation in management and labor politics, and structural reform of the capitalist economy, to promote the interest and welfare of employees. The FKTU then announced its decision not to pursue the "social consensus" policy, and proposed to the NLC (Chŏnnohyŏp) a grand unity of labor.

The NLC rejected the proposal, though, and went on to establish a national federation of "democracy unions", carrying out an aggressive campaign to persuade FKTU-affiliated unions to join them. More unions withdrew from the FKTU to join the NLC. The National District Union (Chŏn'guk chiyŏk nojo), the National Industrial Union (Chŏn'guk sanbyŏl nojo) and even some *chaebŏl* group unions (including those at Hyundai, Kia and Daewoo) joined the NLC. In November 1995, the Korean Confederation of Trade Unions (KCTU, Minju nodong ch'ongyŏnmaeng, or Minnoch'ŏng) was born, with 420,000 members in 861 enterprise unions affiliated with 15 industrial unions, ten district unions and two *chaebŏl* group unions. The KCTU accounted for one-third of the total number of union members.

The immediate concern for the two national union federations was the labor law, which, in their opinion, still remained more protective of business groups than of workers. Furthermore, the workers had little trust in the government, for it did not, as they thought, negotiate with them in good faith, and had delayed legislating on what they agreed upon, while emphasizing the need to establish a harmonious relationship among the triad of labor, the state and capital.

Corporate sides also wanted labor law reform, but for different reasons – because it became necessary for them to respond to the changing business environment, both internal and external. A “rapid” wage increase was perceived as a considerable burden. Competition in the international market was increasing in the wake of neoliberalism, or the new wave of globalization that was rapidly spreading throughout the world. While the union wanted more job security, corporate owners demanded changes in labor law that would make the labor market more flexible and allow them to deal with labor disputes on an enterprise basis.

Under increasing pressure from within and without, the Kim Young Sam government again called for a meeting of the triad. In doing so, it could no longer ignore the existence of the KCTU.

Facing the dual tasks of stabilizing labor–management relations and enhancing the international competitiveness of the Korean economy through a paradigm shift from a government-guided economy to a market-oriented economy, the government came up with a trade-off plan of giving both sides what they wanted: a guarantee of the three standard rights to the industrial workers, and the flexible use of labor to corporate employers, thereby creating an institutional basis for cooperative labor–management relations. The negotiations of the triad, however, did not result in an agreement, leaving the labor law reform issue back in the hands of the government. The employers’ side considered the proposed labor law reform as a threat to the corporate practices of eliminating redundant labor, and dispatching workers from one section to another section within a corporate structure, and was unwilling to switch to the system of collective labor and management negotiation at the national level from the current one of resolving labor-management conflicts within an individual firm. (Cho Hyo-Rae 2001: 489). The government felt pressured to support employers rather than workers, as there was growing concern about a slow-down in the national economy.

The government went ahead, drafting its own bill and having it passed (in December 1996) in seven minutes by the National Assembly, with only the New Korea government party (Sinhan’gukdang) national assemblymen present. The new bill appeared to reflect the government’s intention to address the demands from both sides. In essence, it did away with the provision of the “three prohibitions” – prohibition of third-party intervention, prohibition of plural unions, and prohibition of a union’s political activities – but it also allowed employers to introduce the system of dismissal of redundant labor and a flexible work schedule. The bill, however, stipulated that the formation of plural unions at the national level could not begin until 2003, and at the enterprise level until 2002, while employers were allowed to go ahead with dismissing redundant workers as this was necessitated by urgent management problems such as a continuing deterioration of business, the need of structural adjustments to improve productivity, technological innovation, and changing the production line. The implication of this stipulation became immediately clear to the unions. Legalization of the KCTU had to wait six more years, which meant that the current union activities of the KCTU remained illegal.

Both the FKTU and KCTU protested strongly against the "*nalch'igi*" (snatching) passage of the bill by separately organizing the first general strike after Liberation, which lasted two months (26 December 1996–28 February 1997). The leaders of the ruling and opposition parties finally agreed to revoke the bill passed previously, and came up with a new bill, drafted by the latter and revised by the former, which the National Assembly passed. The new bill made the plural union provision effective immediately (instead of putting it off until 2003), delaying the enactment of the provision for dismissal of redundant labor and limiting the condition of dismissal to "acute management reasons" (Cho Hyo-Rae 2001: 505). The two national federations of labor unions at least succeeded in putting pressure on the legislators to change an earlier bill to a new one which also reflected the interests of employees. Labor unions at the national level now participate in the national politics of labor-law making as an independent power.

The consolidation of enterprise unions into an upper-level union also had an impact on labor management relations. The role of the national federation of trade unions in organizing and guiding disputes at the enterprise level expanded considerably. Enterprise unions are increasingly delegating central unions to undertake collective bargaining with the employers. In the past, such joint collective bargaining methods were confined largely to the textile, rubber, mining and transportation industries, but in 1993 it spread to the public sector and banking industries. Consequently, corporate employers avoid direct confrontation with unionized and regular (permanent) workers, and give much of what they demand except for the right to participate in enterprise management. The number of labor disputes decreased from 144 in 1993 to 85 in 1996. Also to be noted are the changing causes of labor disputes. With the increase in wage levels, the focus of collective bargaining shifted to the reduction of working hours (40 hours per week); the reduction of wage differences by gender, type of work and educational level; the establishment of welfare funds within the company; and participation of employees in management

The involvement of upper-level unions in collective bargaining at the enterprise level appears to be closely linked with the new measures adopted by employers in dealing with labor protests (Kim Kŭm-Su 2004: 539–547). Instead of using force to suppress employees' demands, employers rely more on taking legal action against the union, demanding compensation for damage caused by strikes and work-stoppages, disciplinary punishment, dismissal, and restraining of union officers. As a result, labor–management relations have become more orderly (or less violent) and rational.

Kim Dae Jung (1988–2003) and the tripartite committee

The evolutionary process of "democracy union" rights had to pass yet another formidable challenge. This challenge – the 1997 liquidity crisis and the International Monetary Fund remedy package – came not from within but from without. The liquidity crisis began with several *chaebŏl* groups going bankrupt,

as a result of the excessive investment of money borrowed from banks (domestic as well as international) and that did not produce profits. Failure of those *chaebŏl* groups to pay back the debt, in turn, led to those banks which had loaned huge sums of money to them to become insolvent. A large proportion of the loans made to large firms on a long-term basis came from commercial banks that borrowed money from foreign banks on a short-term basis. As the number of insolvent commercial banks increased, funds available to corporate enterprises became scarce. Within a period of six months from November 1997 (when the crisis began) to April 1998, a total of 7,643 firms went bankrupt. The Korean economy experienced a negative growth rate (–3.8 percent), for the first time since 1980, in the first quarter of 1988. The public's consumption and expenditure declined. The amount of investment in equipment and the factory operating rate were sharply reduced. The high interest rate and business recession caused more bankruptcy in medium-sized enterprises and, as a result, the unemployment rate increased sharply from 2.6 percent in 1997 to 5.7 percent in the first quarter of 1998. The amount of foreign currency in reserve reached an all-time low, falling to US$7.3 billion by November 1997. Help had to come from outside. The South Korean government was left with no choice but to turn to the IMF for a bailout. The IMF agreed to lend money to South Korea, with a remedy package which outlined a series of structural adjustments that South Korea should undertake (Jwa 2001). To ensure that this suggested remedy would be implemented, the bailout committee had a meeting with Kim Dae Jung, the president elect, in order to have him sign the agreement to carry out the suggested reforms.

The Kim Dae Jung government established the Tripartite (Labor, Management and Government) Committee in January 1998.[7] The triad agreed that

> the current national crisis cannot be overcome without a prompt fundamental reform of the entire state [economic] system and hence the labour sector, business sector, and the government should reach a national consensus to evenly share the "bone cutting" [*bbyorŭl kkaknŭn*] pains and cooperate with one another.
>
> (Cho Hyo-Rae 2001: 565).

A trade-off was made between labor unions and corporate employers. The new policies agreed by the Tripartite Committee allowed corporate employers to dismiss redundant labor and use the dispatch labor system, while granting teachers the right to form a union – the right that had long been denied – and to collective bargaining, allowing unions to engage in political activities and ex-employees to join an extra-enterprise union of the unemployed. The government also promised to increase financial assistance to unemployment insurance, job-tenure security, and the expansion of social insurance schemes and the social security system.(Yi Sŏng-Hi 2003: 36).

With the official recognition of the teachers' union, labor was finally standardized nationally under the leadership of the two national unions, but union

power was considerably weakened because the employers now had a relatively free hand in hiring and firing. Ironically, this increase of union power was accompanied by increased job-tenure insecurity, and labor disputes came to revolve around saving jobs and the right to survival. Soon after the tripartite agreement on structural adjustment was signed, both public and private corporate owners began releasing workers in large numbers, and job-tenure security became the foremost concern of employees and the two national unions in their "war" (strikes, rallies, visits to government offices) against the government in its role as policy- and law-maker as well as employer (in public enterprises).

The FKTU's demands made to the government focused on job-tenure security – the avoidance of dismissal of workers as far as possible, consultation with unions when necessary, taking proper steps to guarantee the security of the livelihood of the dismissed or unemployed, opposition to the enactment of laws that create job-tenure anxiety (*koyong puran*), the establishment and expansion of a job-security insurance system, and increased investment in job training and job-skill development. The KCTU's demands, on the other hand, were much broader: dismantling of the *chaebŏl*, holding a national assembly hearing on the economic crisis and punishment of those who were responsible, opposition to full opening of the domestic capital market to outsiders, renegotiation of the IMF agreements, and establishment of policy measures for price and financial stabilization, in addition to job-tenure security.

If the former concentrated on minimizing the damage resulting from the structural adjustment, the latter looked to eliminate the root causes of the economic crisis. Although sharing the pain among the triad was what manifestly guided the Kim Dae Jung government's efforts to press ahead with the structural adjustment of the economy, the prime concern was to enhance the international credibility of the nation and attract foreign capital – which inevitably put more emphasis on creating a flexible labor market rather than protecting job security for union members. The tripartite agreement notwithstanding, the government often went ahead in enacting laws without consulting the union, which led the union to take protest action. Union–management conflicts escalated as the government began to privatize public enterprises – a process which was accompanied by large-scale dismissal of its employees. Private firms went through the same process. In 1998, the year the nationwide structural adjustment began, the number of labor disputes increased to 129 from 78 in the previous year. Unlike in preceding years, collective bargaining and protests were related to those issues raised in the process of structural adjustment – namely job insecurity, delayed payment of wages, and salary and labor violations.

Unionized workers have yet to be accepted by the managers as partners, but their collective demands are taken seriously. Wages have increased by more than 10 percent per annum since 1998. Dismissal of redundant workers in the name of structural adjustment also takes place less often now than it did in 1998. However, corporate employers are increasingly deciding that labor costs are too high, the size of the workforce can no longer be increased, and alternate means for reducing labor costs must be found. The production process is being

automated and moved to foreign countries where labor is less expensive than in Korea. In some segments, such as the banking industry, retirement ages are being lowered through enforcement of early "voluntary retirement" – as early as age 45. The most notable trend, though, is the replacement of unionized and "regular" workers with other types of workers – "non-standard" in large firms, and foreign in small- and medium-sized firms.

Conclusion

The labor movement that began in the 1970s with the formation, by young female factory workers, of "democracy unions" at the enterprise level, and which was independent of employer influence and control, culminated in the creation of the Korean Confederation of Trade Unions at the national level. Industrial workers have solidified their power against their employers and the state. The birth of the Democratic Labor Party marked the beginning of labor's participation in parliamentary politics by providing direct input into the formation of government labor policy. With independent labor unions recognized by the state and capital, labor–management conflict has been institutionalized and three constitutional labor rights are fully guaranteed. Labor strikes still take place, but both unions and corporate employers choose negotiation over strikes or work stoppages, as both sides have learned valuable lessons from a lengthy and costly history of labor–management conflict.

Institutionalization of labor conflict, however, is limited to unionized labor, which accounts for less than 15 percent of the entire workforce. While the labor union as an institution through which workers collectively "voice" their views on their working conditions is firmly rooted, employers have found an "way out" of the institutional setting. After the IMF bailout of Korea following the 1997 liquidity crisis, corporate employers were given a free hand to rely on "non-standard" and foreign workers instead of on "regular" workers. While the latter are guaranteed basic labor rights and protected by the four insurance plans (unemployment, health, work injuries and retirement), the former are more or less exempted from them, even if those rights and welfare measures that the former are entitled to are being formally extended to them. Corporate employers increasingly argue that the current wage level for "regular" workers is already too high, and it is necessary to hire "non-standard workers" in order to keep "regular" workers at their current wage level. Globalization of business activities has enabled corporate firms to move their business easily to another country, where they can find cheap labor, devoid of labor unions. The government, at least in theory, has become neutral in labor–management relations, leaving protagonists to take care of their own interests through negotiations. The government's job is to protect both labor and business; however, when the national economy suffers, the government is more likely to protect business than labor. Labor has won the right to stand up against the government and capital, but that applies only to those workers who are unionized. Other workers are more or less stranded in the wake of globalization. How to protect "other

workers" has become a new challenge to unions, and the union movement is slowly reorienting itself toward this goal.

Notes

1 Initially the KCLU opposed trusteeship, but it changed its position after it received instructions from the Soviet Union.
2 There was, of course, stiff opposition to this provision among members of the national assembly representing the interests of the corporate group, but in the end they agreed to let the laws stand in the constitution.
3 For more on Chŭn Tae-il, see Chŏn Tae-Il kinyŏmkwan kŏllip wiwŏnhoe (ed.) 1983; Yi Tae-Ho 1985: 52–54; Chŏn Tae-Il 1988.
4 I draw heavily from Yu Bŏm-Sang (2001), Kim Chun (2001), and Kim Kŭm-Su (2004: Chapter 3) in this section.
5 The plan was outlined in the "Guidelines on Handling Matters Relating to Labor Unions".
6 Much of information here is drawn from Kim Chun (2001), Cho Hyo-Rae (2001) and Kim Kŭm-Su (2004).
7 This committee consisted of the ministers of both the Economic and Financial Planning Board and the Labor Ministry, the presidents of the Korean Entrepreneurs Association and the Korean Business Enterprise Assciation (Kyŏngch'ong), representatives of both government and opposition parties, and the leaders of the FKTU and KCTU.

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4 Globalization of labor and corporate enterprises in South Korea

Labor relations and social adjustment of migrant workers

Hyun-Ho Seok

Introduction

Globalization generally refers to social, economic and political processes that transcend national and regional boundaries. Held *et al*. (1999: 16) conceive of it as a process (or set of processes) which embodies a transformation in the spatial organization of social relations and transactions, generating transcontinental or interregional flows and networks of activity, interaction, and the exercise of power. In this definition, "flows" refers to the movements of physical artifacts, people, symbols, tokens and information across space and time, while "networks" refers to regularized or patterned interactions between independent agents, nodes of activities or sites of power.

Within this all-encompassing conception of global processes, we can locate the concept of "globalization of labor", which refers to the process of labor demand and supply across national and regional boundaries. This process includes the utilization of both migrant labor by domestic business enterprises and local labor by transnational enterprises. In the past few decades, the world has witnessed a rapid increase in international and interregional movements of labor and business enterprises.

South Korea has undergone a rapid economic transformation in the past three decades, playing a significant role in the global economic system. During this transformation, the country has experienced a dramatic reversion of production networks and labor flows. Until the mid-1980s the country was a paradise for TNCs (transnational corporations), but, starting from the 1990s, the situation was reversed. Many Korean corporations moved out of the country to mostly China and Southeast Asian countries in order to utilize the cheap labor force there. For the same reason, labor migration in the country was also reversed. From the mid-1970s to the mid-1980s the country had been a major labor exporter to Arab countries, but from the beginning of the 1990s it became one of the major labor importers from China and Southeast Asian countries.

Due to language barriers and cultural differences between foreign workers and their employers, the employment of foreign workers, either within the

country or abroad, creates more problems than with native workers. Most employees, either migrant workers in domestic companies or local workers in the overseas companies, will not have sufficient information on employment opportunities and conditions, and many employers may also have difficulties finding suitable workers. For employment, therefore, both employers and employees may rely heavily on employment agencies and social networks. Both may be misinformed about each other, resulting in serious conflict between them, or premature termination of labor contracts. Furthermore, labor relations may not be smooth due to cultural differences and racial discrimination against alien workers by employers. During employment, both employers and employees may also have many difficulties in adjusting to each other for the same reasons, and hence may feel a high degree of job stress.

The South Korean experience of labor globalization offers a unique opportunity to study the problems associated with the process in comparative perspectives, since most overseas Korean companies were established in the same countries that sent a considerable number of migrant workers to Korea. For the study, we conducted two sets of structured questionnaire surveys, one domestic (1998) and the other overseas (1999).[1] Utilizing the domestic survey data and governmental statistics, the study investigates the underlying causes of labor immigration to the country, and the labor relations and social adjustment of migrant workers.

Theoretical guidelines

As described in the introduction, we conceive globalization to be the increasing interdependence of world society. The key characteristic of globalization is the increase in cross-border flows of all sorts – capital, commodities, technology, labor, etc. These flows are organized into a certain form of transnational network, such as the global financial market, the transnational corporation and the world labor market. International labor migration takes place as an integral part of this global process of change.

Research on the phenomenon of international labor migration shows that no single theory has succeeded in explaining it comprehensively. This is because factors affecting the migration flows are so diverse that they can hardly be grasped by any single theory. Accordingly, migration theorists (Kritz and Zlotnik 1992; Massey 1993, 1998; Portes 1995) recommend a multi-dimensional approach. However, none has come up with a multi-dimensional theory that can integrate all the important factors affecting migration into a single coherent framework. As a matter of fact, such a theory may not be useful in explaining various types of international migration flows, since factors associated with international movements of people are not only diverse but also discrete from one another, and also vary from one flow of movement to the next. Therefore, an appropriate way of approaching a given migration flow may be to formulate theoretical guidelines by taking the main elements from existing theories that would seem powerful enough to explain it.

Massey and his colleagues (1993, 1998) review theories of international migration by categorizing them into two kinds: models that describe the initiation of international movement, and theories concerning the perpetuation of international migration. Included in the former are neoclassical macro-economic theory (Lewis 1954; Ranis and Fei 1961; Harris and Todaro 1970; Todaro 1976), neoclassical micro-economic theory (Sjaastad 1962; Todaro 1969; Borjas 1989), the new economics of migration (Stark and Levhari 1982; Stark, 1984, Katz and Stark 1986; Taylor 1986; Lauby and Stark 1988), segmented labor market theory (Piore 1979), historical-structural theory and world system theory (Wallerstein 1974, 1980; Portes and Walton 1981). As for perpetuation theories, Massey and his colleagues introduce social capital theory (Bourdieu 1986, Coleman 1990) and cumulative causation theory (Massey *et al*. 1998: 17–59).

Massey and his colleagues (1998: 50) then conclude that, because theories concerning the initiation of international migration posit causal mechanisms at many levels of aggregation, the various explanations are not necessarily contradictory unless one adopts the rigid position that causes must operate at one level and one level only. That is to say, it is entirely possible that individuals engage in cost-benefit calculations (as shown by micro-economic theory), that households act to minimize risk and overcome barriers to capital and credit (the new economics of migration), and that the socio-economic context within which these decisions are made is determined by structural forces operating at national and international levels (segmented labor market and world system theory). Accordingly, Massey and his colleagues are skeptical of both atomistic theories that deny the importance of structural constraints on individual decisions, and of structural theories that deny agency to individual and families. This skepticism leads them to recommend macro- and micro-level analysis of international migration at the same time.

Regarding this theoretical recommendation, however, it should be noted that it concerns only the investigation of factors associated with the initiation of international migration, omitting research problems concerning the perpetuation of migration. This means that Massey and his colleagues regard theories concerning perpetuation as being independent from those on initiation. Theoretically the two problems may be separable from each other, but empirically they are not. This is because factors affecting the initiation of migration and those affecting its perpetuation are not mutually exclusive. Factors that initiate a given migration flow, such as differences in income and job opportunities between origin and destination, are more likely to be the main factors that perpetuate the flow. Similarly, migration networks such as kinship and friendship ties, and migration-supporting institutions such as employment agencies and voluntary organizations, that Massey and his colleagues conceive as perpetuating factors, could also be main elements of migration from fairly early stages of the flow.

Finally, concerning the theoretical review made by Massey and his colleagues, it is also noteworthy that the factors considered in the social capital theory – namely, migration networks and institutions – can be regarded as being independent from those in other theories, but those in cumulative theory cannot.

This is because the cumulative causation theory deals with migration elements not independent of those taken into consideration in other theories. Therefore, the former can be incorporated into other theories, while this is not true for the latter.

Portes (1995) and Castles and Miller (1998) also advocate a multi-dimensional approach to international migration. Yet their approaches differ from Massey and his colleagues'. Both Portes and Castles reject micro-economic theories in favor of a structural approach, and insist on studying international migration at both the macro- and micro-structural levels. Here, the term "macro-structural level" refers primarily to the core–periphery relation or world system of migration, and the term "micro-structural level" refers to migration networks and institutions. They reject neoclassical micro-economic theory because international migration has not taken place as the theory predicts. Portes (1995: 20) points out that, according to the neoclassical economic theory, international labor migration should originate in countries where wages are at the lowest level, but this is not the case. It originates largely in countries at an intermediate level of development. On the other hand, Castles and Miller (1998: 22) note that nation-states (particularly migration-receiving countries), not the free labor market, play a major role in initiating, shaping and controlling international migration flows. Both observations may contradict the basic assumption of neoclassical economic theory – that is, the assumption of migration as being the rational choice of individuals and as an effective leading force in balancing the global economy.

Historical and contemporary flows of migration show that opportunities for and barriers to migration are macro-structurally determined. Yet movements of people do not occur in a social vacuum. This is why Portes and Castles take migration networks and institutions into account in terms of micro-structure. It should be noted, however, that their approach ignores the fact that people do not respond to structural opportunities and constraints automatically but choose a line of action according to their own definition of the situation, including calculation of cost-benefits from migration.

In this study we conceive of international labor migration as a process of labor flows across national boundaries taking place in response to changing employment opportunities in the global economic system, motivated by better earnings, conditioned by states' immigration policies, mediated by migration networks and institutions, and influenced by social and economic adjustment at destination countries. This conception allows us to identify the main factors affecting international migration at macro-, micro- and meso-levels. At the macro-level, we can conceive of changing employment opportunities as an underlying cause of migration; at the micro-level, of better earnings as being the main motive of migration; and at the meso-level, of migration networks and institutions as being the main media of migration. Migration networks and institutions are considered to be meso-level elements because they play a significant role in converting migration opportunities to migration motives, and in adjusting to destination societies.

In addition, we take into consideration possible adjustment problems at the destination as being one of the main migration-determining factors. Conventional migration theories ignore this possibility, and conceive of such problems as being independent of the migration process. In the case of international labor migration, however, labor relations and social-adjustment problems are presumed to exert a significant effect on migration decision-making and duration of stay at the destination. People do not move without considering possible adjustment problems and, once moved, their duration of stay will depend largely on the success or failure of their adjustment at the destination.

Depending on the extent of differences between cultures at their origin and destination, migrant workers may have more difficulties in maintaining smooth labor and social relations and adjusting to their destination society. They have a relatively homogenous ethnic identity, and their culture is often a source of discrimination. As a result, it is to be expected that migrant workers will be more vulnerable to job stress than native workers, and will not do as well regarding performance and well-being. These problems of adjustment may affect possible repeated migration and chain migration, and thereby influence the perpetuation of migration. Therefore, it is important to investigate problems associated with the migrant workers' labor relations and social adjustment.

In the following section, we will observe the influx of migrant workers to South Korea in relation to the changing conditions of the domestic labor market and government policies concerning labor immigration. In subsequent sections, we will try to explore some distinctive characteristics of migrant workers and their migration process, and to investigate their labor relations and social adjustment.

Employment opportunities and immigration policy

At the end of 1980s, the Korean economy entered its mid-stage of development. During the period 1970–1988 the country's average GNP growth rate was about 12 percent, and in subsequent years (until the financial crisis in 1997) the rate dropped to a moderate level – about 7 percent. The decrease in the growth rate was significant, but the per capita GNP still doubled from about 5,000 dollars to about 10,000 dollars.

With this transition, the country's labor market segmented into a capital-intensive industrial sector and a labor-intensive one. As a result, the wage difference between the two sectors increased notably, and hence those with low-level skills or no skills preferred to take jobs in the service sector rather than in the labor-intensive industrial sector. Accordingly, a serious labor shortage developed in the labor-intensive industrial sector, especially in small manufacturing companies demanding "3D" (dirty, dangerous and difficult) jobs. Due to the shortage, many small manufacturing companies began to utilize the alien labor force; some started to employ migrant workers, while others moved abroad to where wage levels are lower than in Korea.

Underlying causes of international labor migration, unless it is enforced by

coercive power, are not much different from the causes of internal migration. Both types of migration take place, in general, as responses to changing employment and income opportunities, and have a bearing on migration costs. The influx of migrant workers into South Korea is no exception. It has taken place becaue the country offers employment and earning opportunities. The opportunities have developed fairly quickly, not only because of labor shortages but also because of a wage hike. Wages for production workers increased greatly as labor unions gained leverage in collective bargaining after the liberalization of union activities in 1987. The costs of migration to the country were not negligible, but were relatively smaller than the possible benefits from earning differentials. In this regard, it may be also noteworthy that during the 1988 Seoul Olympic Games the Korean government greatly liberalized the entrance of aliens into the country, allowing alien workers relatively free access to employment opportunities.

Alien workers in elementary occupations started to flock into the country towards the end of the 1980s, entering the country on short-term (90-day) visitors' visas. Before the influx of such migrant workers began, there were only a couple of thousand alien workers with work permits – mostly professional and technical workers. The Korean Immigration Law at that time only issued work visas to aliens who had professional job skills that native workers seldom possessed. Of course, any alien workers who are employed without work permits become illegal sojourners (hereafter we will call them "undocumented migrant workers" or simply "undocumented workers") and, according to the country's immigration law, are subject to deportation with a maximum penalty of 10 million Korean won (about 7,000 US dollars at the 1997 exchange rate). However, Korean government authorities rarely applied the law to undocumented workers.

In 1992, when the number of undocumented migrant workers exceeded 60,000, the government implemented the so-called "Industrial Training Program for Aliens"[2] as a legal means to import labor. At the same time, the government offered the undocumented workers amnesty opportunities in order to promote their return home. However, both measures had little effect on reducing the number of undocumented workers, since the government repeatedly offered the amnesty opportunities without any compulsive action to send them back to their countries.[3] As a result, immigration routes and the labor market for migrant workers became well developed

The industrial training program did not work as the government had intended. It helped to mitigate, to some degree, the labor shortage, but failed to reduce the influx of undocumented migrant workers. It has rather contributed to an increase in the number of undocumented workers, as a considerable number of industrial trainees desert their workplaces illegally. In 1994 such deserters comprised only 4 percent of the total number of undocumented workers, but the figure increased to 12 percent in 1997 and 20 percent in August 2000.

Table 4.1, which shows the number of migrant workers by sojourn status (work permit, industrial training, illegal sojourn with visiting visa, and illegal

sojourn with industrial training visa) between 1991 and 2000, shows that all categories of migrant workers increased until 1997, but in the subsequent year (1998) their numbers decreased sharply. The numbers recovered again in the following two years (1999–2000). In 1992, when the industrial training program was implemented for the first time, there were about 5,000 trainees, and the number increased to about 81,000 in 1997. In the same period (1992–1997), undocumented migrant workers (including industrial trainees who had deserted) increased from about 66,000 to 148,000, while the number of professional workers with work visas increased from about 3,000 to 16,000.

With the eruption of the financial crisis at the end of 1997, the Korean economy became severely depressed. The government tried to reduce the number of migrant workers, especially illegal sojourners, by adopting various measures, such as the reduction of industrial trainees, the substitution of native workers for undocumented workers by means of a special financial support program, and the promotion of the return migration of the undocumented workers through the same amnesty measure adopted in 1992. These measures, and especially the amnesty measure (which offered exemption from monetary penalty to undocumented workers), seem to have exerted some effect in reducing the number of migrant workers. The amnesty measure worked simply because those who earned a considerable amount of money could return without financial penalty.

It should be noted, however, that the main factor that induced a substantial reduction of migrant workers after the financial crisis was not the government

Table 4.1 Number of migrant workers by sojourn status, 1991–2000

Year	*Professional workers with work permits*	*Migrant workers*			*Total*
		With industrial trainee visas	*Undocumented (illegal sojourn)*		
			With visiting visas	*With industrial trainee visas*	
1991	2,973	–	41,877	–	44,850
1992	3,395	4,945	65,528	–	73,868
1993	3,767	8,744	54,508	–	66,919
1994	5,265	24,328	46,242	1,989	81,824
1995	8,228	38,812	75,524	6,342	128,906
1996	13,420	68,020	117,911	11,143	210,494
1997	15,900	81,451	129,350	18,698	245,399
1998	11,846	52,314	81,140	21,349	166,648
1999	11,865	69,454	92,870	26,978	188,316
2000*	16,064	79,062	142,591	29,910	267,627

Source: Data for 1991–1997 are drawn from Seol, Dong-Hoon (2000: 190) and data for 1998–2000 from an unpublished report, Ministry of Justice (2000).

Note
* As of August, 2000.

policy, but worsening employment conditions due to the economic depression. Owing to the financial crisis, the Korean currency was, at one point, about half its usual value against the US currency. During the ten-month period after the outbreak of the crisis, over 20,000 business firms went bankrupt and about 1.1 million workers became unemployed. Many migrant workers lost their jobs and left the country and, as a result, the number of alien workers decreased from 245,000 to 167,000 in the one-year period following the crisis.

In a study on the effect of the financial crisis, Seok (1998) predicted that there would be no further significant decrease in the number of migrant workers. This prediction was made on the basis that the migrant workers' home countries also suffered from the Asian financial crisis, that most of the workers did not want to return because some of them had earned less than their migration costs and others wanted to earn more, and that their employers still prefer to hire them over native workers. In addition, it was argued that the number of migrants would increase as the country recovered from the financial crisis. This prediction turned out to be correct. As is clear from Table 4.1, the numbers of migrant workers for all categories increased drastically in 1999 and 2000, recovering to the same levels as before the financial crisis.

From the same table, we can observe that the number of deserting industrial trainees steadily increased throughout the period 1994–2000, contributing to a substantial increase in the number of undocumented workers. The main reason for desertion was the wage difference between the two groups. The absolute number of deserters increased, but the desertion rate declined as employers tried to keep their industrial trainees by increasing their wages. This meant that the migrant workers by themselves formed an independent labor market.

Finally, regarding the influx of migrant workers, it is worth observing the changing composition of migrant workers by nationality, since the composition itself can be important evidence in demonstrating the globalization of labor triggered by the South Korean economy. By August 2000 the country had received a total of 142,307 industrial trainees from a total of 14 countries, including Indonesia (33,666), China (33,043), Vietnam (23,248), the Philippines (16,160), Bangladesh (11,359), Uzbekistan (5,454), Sri Lanka (4,024), Thailand (4.372), Pakistan (3,579), Nepal (2,721), Myanmar (1,862), Kazakhstan (1,681), Iran (588), and Mongolia (550). The origins of the undocumented migrant workers are more diverse than those of industrial trainees. In August 2000, they included China (85,425), Bangladesh (13,774), Mongolia (12,155), the Philippines (11,850), Thailand (11,309), Vietnam (6,991), Pakistan (5,585), Uzbekistan (4,417), Sri Lanka (1,581), and others (19,406). Among the Chinese undocumented workers, about 60 percent (52,169) were Korean-Chinese descendants of Korean emigrants who fled to Manchuria during the Japanese colonial period.

On the basis of the above observations, we argue that labor immigration to South Korea has taken place as the country's economy has become increasingly integrated into the global economic system. This argument may be seen as being somewhat exaggerated when we look at the migration figures only, since they

show that most migrant workers are from Asian countries. Yet when we view the figures in a theoretical perspective, especially in view of world system theory, it is clear that labor migration to the country has increased as it develops into one of the semi-peripherals in the world system. Other semi-peripherals in Asia, such as Taiwan, Hong Kong, Singapore, Thailand and Malaysia, have also received a large number of migrant workers from many countries (Massey *et al*. 1998: 164), indicating that massive immigration to the semi-peripherals is a newly emerging phenomenon in the world system.

Characteristics of migrant workers and their migration process

In this section we explore some distinctive features of migrant workers and their migration process, utilizing our survey data. The sample size of the survey was a total of 740 migrant workers, including Korean-Chinese (122), Chinese (108), Vietnamese (147), Indonesians (222) and Filipinos (141). Of the total sample, 76 percent were male, 86 percent were under the age of 35, and 55 percent had never been married. They had undergone about ten years of school education on average; 82 percent of them had had more than nine years of education. Perhaps one of the most interesting characteristics of the sample was that the migrant workers were from countries that had different religious compositions. Nearly all the Chinese have no religion, while nearly all Indonesians are Muslim. Most Filipinos are Christian, while most Vietnamese are either Christian or Buddhist. The workers' occupations before immigrating to Korea were also diverse. About 33 percent of the total subjects were skilled workers, while about 12 percent were unskilled workers and unemployed persons made up 16 percent of the total. The rest of them were farmers (10 percent), sales and service workers (10 percent), clerical workers (8 percent), professional or managerial workers (7 percent), and others (5 percent).

In their home countries, migrant workers earned about 132 US dollars a month on average. They spent a considerable amount of money on immigration – about 3,030 US dollars on average – corresponding to about 23 months' earnings in their country of origin. The main reason the workers moved to Korea was to "earn better wages" (77 percent). Relatively small numbers indicated other reasons, such as "easy to get a job" and "better working environment". Most of them (84 percent) entered the country in 1996 or later. In this regard, it is noteworthy that a significant proportion of them (12 percent) entered the country even after the financial crisis.

No matter what kind of jobs they had before coming to Korea, most of the migrant workers surveyed were engaged in elementary occupations – unskilled or lower-level skilled jobs. On average, they worked about 61 hours per week, earned about 569,000 won (about 670 US dollars at the exchange rate before the financial crisis) per month,[4] and spent about 24 percent of their earnings on living expenses (about 80 US dollars per month). Their living expenses were relatively low, since their employers provided room and board. On average, they

remitted 2,195,000 won (about 2,580 US dollars) and had savings of 1,141,000 won (about 1,340 US dollars) in Korea.

Their working hours were fairly long, but relatively few complained about it. Only 22 percent were dissatisfied with their working hours. Although their earnings as immigrant workers (about 670 US dollars per month) were far greater than their earnings at home (about 132 US dollars per month), about 42 percent were dissatisfied with their wages. This seemed partly to be due to the fact that their wages were significantly lower than Korean workers' wages.

About 30 percent of the migrant workers we surveyed changed their employers at least once, mainly because their wages were too low (8 percent of the total sample) or because their jobs were "dirty, difficult or dangerous" (taken together, also 8 percent). A considerable proportion of them (about 41 percent) wanted to change their employers, mostly because of low wages (25 percent) or the "3D" nature of their job (8 percent). Looking at the reasons for the actual change of employers in conjunction with the reasons for desiring a change, it is clear that the wage factor became increasingly important. This seemed primarily to be due to worse employment conditions after the financial crisis – that is, a decrease in wages. This argument may well be evidenced by the fact that about 42 percent of the workers were dissatisfied with their wages, while only about 15 percent were dissatisfied with their jobs, and that the proportion of those who were not satisfied with their working hours was also relatively small (22 percent) despite their working hours being much longer than the natives'.

Labor conditions and relations

Earlier in the chapter we proposed that, in the case of international labor migration, social adjustment problems at the destination might be significant migration-determining factors, especially in determining the duration of stay. In this section we will observe migrant workers' labor conditions and relations, leaving the social-adjustment problems for the next section.

Most manufacturing companies employing migrant workers are relatively small, not only in the number of employed workers but also in capital assets. Of the total number of companies (189) surveyed, about 83 percent had less than 100 employees, and about 80 percent held capital assets of less than 10 billion won (about 11.7 million US dollars, at the exchange rate before the financial crisis in 1997). The average number of employed workers, including migrant workers, was 69, and the average capital asset was about 4.1 billion won (about 4.8 million US dollars). Most of the companies consisted of recently established textile, metal, rubber and plastic, and chemical manufacturers. Of the total companies surveyed, 76 percent had been established since 1980. Textile manufacturers comprised about 20 percent of the total companies, and the percentage shares for other major industries employing migrant workers ranged from 13 percent to 15 percent.

The total number of migrant workers employed by the 189 companies we surveyed was 1,120 persons – about six persons per company on average. About

half of the companies hired four migrant workers or less, while only 19 percent employed ten or more. The rest (31 percent) hired between five and nine migrant workers. Needless to say, smaller companies tended to employ a smaller number of migrant workers; however, the ratios of migrant workers to native workers tended to be larger as the size of the company decreased, indicating that smaller companies prefer to employ migrant workers.

Our survey asked the managers of the companies about the main reason for employing migrant workers. Responses to the question were as expected. About 46 percent cited “failure to recruit native workers”, and 41 percent cited “cheaper wages for the migrant workers”. These two reasons are not mutually exclusive in the sense that some employers could not hire native workers because they demanded higher wages, while others employed migrant workers because their wage level was lower than that of natives. However, we presented the two reasons in the questionnaire at the same time because the first reason reflected more the labor shortages in “3D” jobs, while the second had more bearing on the higher wages of native workers.

In the survey, we found that smaller companies were more likely to employ migrant workers for the reason “failure to recruit native workers”, and larger ones for the reason “cheaper wages for the migrant workers”. Textile companies, in which most jobs are of the “3D” type, tended to employ migrant workers primarily for the first reason. About 70 percent of the textile manufacturers indicated that they employed migrant workers because they had failed to recruit native workers. The percentage figures for rubber and metal product manufacturers are 50 percent and 45 percent, respectively. Among the chemical product manufacturers, only 29 percent replied that they employed migrant workers because of recruitment difficulties, while 54 percent of them said they did it because of the cheaper wages.

In the survey, the working hours of migrant workers were found to be longer than those of native workers (Korean co-workers and managers) but their wages significantly lower. About 35 percent of the managers answered that the migrant workers’ working hours were longer than the hours of native workers, and nearly 80 percent of the managers responded that the migrant workers were paid less than the native workers. Therefore, companies that employed more migrant workers obtained greater benefits from their employment than those who employed fewer migrants. About 84 percent of company managers believed that the employment of migrant workers had helped their business greatly.

Most companies had experienced problems in managing migrant workers. Since they paid the migrant workers lower wages, some workers demanded wage increases. About two-thirds of the companies reported that the migrant workers’ demands for wage increases were serious, that they were faced with significant collective protest, and that some workers had deserted their companies. The total number of migrant workers who had deserted from the companies we surveyed amounted to 462 persons, corresponding to 41 percent of the total number of migrant workers currently employed by the companies. The rate of desertion was very high because the migrant workers had no strong commit-

ment to their employers and hence were always looking for a better paying employer.

As we expected, migrant workers tend to perceive unfairness in their wages as well as working hours and workload compared to native workers'. A considerable proportion of the migrant workers believed that their working hours were longer than Koreans' and their work loads greater, but that their wages were lower than their Korean counterparts'. When they were unfairly treated by their employer, some of them responded actively by submitting a petition to their employer, embassy or NGO (30 percent, 14 percent and 4 percent respectively) and attempting to transfer to another place (5 percent), while others were more passive, indicating "be patient and do nothing" or "work harder for better treatment" (21 percent for both responses).

However, our survey shows that migrant workers do not think of their companies' labor management as negatively as the NGOs protecting their rights often insist. On the one hand, the migrant workers in our survey evaluated their Korean managers as being "strict" (52 percent), "impatient" (45 percent), "demanding" (32 percent), "authoritarian" (29 percent) and "rough" (16 percent); on the other, they stated that their managers were "kind" (55 percent), "reliable" (51 percent), "warm" (47 percent), "sympathetic" and "generous" (42 percent for both). About 54 percent of migrant workers believed that their boss was concerned about them on the job and 39 percent believed their boss cared about their everyday life. Overall satisfaction scores concerning their companies' labor management methods appeared to be neither high nor low. Nearly half of them (46 percent) replied that they were "neither satisfied nor dissatisfied" with management methods, and percentages for "satisfied" and "dissatisfied" were not much different (27 percent versus 23 percent). Accordingly, about half of them (48 percent) were "neither satisfied nor dissatisfied" with their daily activities at their workplace. Yet the percentage of those who were "satisfied" with the activities (31 percent) was significantly greater than that for those who were "dissatisfied" (21 percent).

Cultural differences and social adjustment

In this final section we explore migrants' social adjustment problems due to differences between their cultures and natives'. Our survey data offer some basis for this exploration, since the survey samples included five ethnic groups whose cultures differ from one another: Korean-Chinese, Chinese, Vietnamese, Filipinos and Indonesians. As a matter of fact, we selected these five ethnic groups not only because they are among the largest migrant ethnic groups but also because their cultures represent variations in the distance from Korean culture very well. Korean-Chinese migrants are descendants of emigrants who moved to Manchuria during the Japanese colonial period; they can speak the Korean language and share Korean culture to large extent. Therefore, they are considered as being culturally the closest ethnic group to Koreans. The next closest group consists of the Chinese workers, with whom Koreans share a Confucian culture. Vietnamese and Filipinos

share religions with Koreans – Buddhism and Christianity, respectively. Indonesian culture is considered as being the most remote from Korean. Accordingly, we expected that Korean migrant workers would have the least problems in adjusting, while the opposite would be the case for Indonesian workers.

Migrants' adjustment problems were observed by two indicators; social distance and psychological distress. We measured social distance using an abridged Borgardus scale (a six-point scale with three items asking whether the migrant workers could accept Koreans as close neighbors, as their children's spouse, or as citizens in their own country), and the perceived paternalistic attitude of Korean managers toward the workers using a five-point scale with five items (warmth, generosity, sympathy, kindness, and reliability). For the measurement of workers' psychological distress, we used the Hopkins Symptom Checklist (Derogatis *et al*. 1974). From the 58 distress symptoms on the checklist, we selected 14 and included them in the survey questions.

Scores of social distance measured by the abridged Borgardus scale revealed what we expected, but the scores of the managers' paternalistic attitude toward migrant workers did not. In the social distance measure, the highest score went to Indonesian workers (4.2 points) and the lowest to Korean-Chinese workers (1.8). This means that the Indonesians in the survey felt most remote from Koreans, while the Korean-Chinese felt closest. This contrasting outcome can be attributed to cultural differences between Indonesia and Korea; specifically, to the difference between Islamic and Confucian cultures. As we have noted, Korean-Chinese migrant workers are descendants of Korean emigrants who have the same traditional culture, and therefore they feel least distant from Koreans. For similar reasons, Chinese workers (2.4) feel much closer to Koreans than do Vietnamese and Filipinos (4.0 and 3.8).

However, Chinese and Korean-Chinese (3.0 and 3.3 points) tended to perceive their managers' attitude more negatively than any other ethnic groups, while Filipino workers (3.7) thought of their managers most positively. This unexpected result may be explained in terms of the difference between expected and actual attitude. Both Chinese and Korean-Chinese workers seem to enter Korea with greater expectations of paternalistic care from Korean managers, but this is not actually the case.

Outcomes of the psychological distress measure showed that Indonesian workers (2.3 point) were the most distressed psychologically, and Filipinos (2.0) came next. The distress score for the Korean-Chinese (1.9) appeared to be in the middle, while the Chinese and Vietnamese (1.8 for both) tended to be the least distressed. High distress scores for the Indonesians and Filipinos can be attributed to the same factor that affects the perception of social distance from Koreans – that is, cultural differences. On the other hand, relatively low scores for Chinese and Vietnamese seem to be largely due to differences in ways of life between socialist and capitalist societies. Migrant workers from these countries may be more used to working under rigid bureaucratic control.

Desire for extending the duration of stay may be closely related to the success or failure of adjustment to the destination society. In the last part of the ques-

tionnaire for the migrant workers, we asked whether they wanted to extend their duration of employment in Korea, and if so, for how long and why. About 80 percent of the migrant workers wished to extend their duration of stay in the country, while 20 percent did not. On average, those who wanted an extension of employment wished to stay in the country for about 27 months. Even among the migrant workers who did not want an extension, a considerable proportion planned to stay for months or even years, and on average planned to stay for an additional eight months. Most of the migrant workers who were planning to stay for a longer time were industrial trainees who had entered the country recently.

Migrant workers whose earnings had decreased were more willing to move out of the country, whereas those who were satisfied with life in their workplace and the jobs assigned by their employers tended to wish for an extension of their stay. Workers who had spent a greater amount of money on migrating were also more likely to stay in the country. In this regard, it is noteworthy that the main sources for migration expenses (for about 60 percent of migrant workers) are loans that have to be paid back from their earnings in Korea.

In the study, by ethnic group, Vietnamese workers appeared most likely to desire an extension, while Indonesians were the least likely. About 93 percent of the former wanted an extension, while about 67 percent of the latter did so. For other groups, the percentages of those who wanted continuous employment were almost the same – 87 percent for both Korean-Chinese and Chinese, and 85 percent for Filipinos. In regard to these figures, we may raise the question of why the figures for Indonesian and Vietnamese workers deviated from the average.

Table 4.2 gives the reasons for desiring continuous employment by nationality of migrant workers, and Table 4.3 gives the reasons for wishing to return home. Table 4.2 indicates that the desire for extending the duration of employment is more closely related to earnings than to employment opportunities. About 68 percent of the migrants who desired an extension indicated such earnings-related reasons as "earned less than migration cost" (23 percent), "not earned as much as planned" (32 percent) and "better earnings in Korea" (14 percent), whereas those who indicated employment-related reasons such as "cannot get a job at home" (23 percent) and "cannot get a job in another country" (6 percent), comprised 29 percent altogether.

On the other hand, Table 4.3 shows that, in the case of not desiring extension of employment, the reason "homesickness" (52 percent) appeared to be far greater than either earnings-related reasons such as "earned as much as planned" (22 percent) and "decrease in wages" (7 percent), or such employment-related reasons as "can get a job at home" (7 percent) and "can get a job in other country" (13 percent).

By ethnic group, the desire for extension for earnings-related reasons appeared highest among Vietnamese workers (45 percent). On the other hand, the proportion of those not desiring an extension for the reason of homesickness was the greatest among Indonesian workers (64 percent). The former can be explained by the fact that most Vietnamese workers are newcomers, and hence have a strong desire for earnings. For the latter, we speculate that the cultural

Table 4.2 Main reasons for desiring employment extension in Korea by nationality of migrant workers

Reasons for desiring extension	*Korean-Chinese*	*Chinese*	*Vietnamese*	*Indonesian*	*Filipino*	*All workers*
Earned less than costs	9 (9.1)	7 (8.0)	53 (44.5)	27 (21.4)	28 (25.0)	124 (22.8)
Not earned as much as planned	16 (16.2)	6 (6.8)	39 (32.8)	43 (34.1)	68 (60.7)	172 (31.6)
Better earnings in Korea	8 (8.1)	6 (6.8)	18 (15.1)	35 (27.8)	8 (7.1)	75 (13.8)
Cannot get a job at home	49 (49.5)	55 (62.5)	4 (3.4)	13 (10.3)	6 (5.4)	127 (23.3)
Cannot get a job in other country	17 (17.2)	14 (15.9)	2 (1.7)	–	–	33 (6.1)
Other reasons	–	–	3 (2.5)	8 (6.3)	2 (1.8)	13 (2.4)
Total	99 (100.0)	88 (100.0)	119 (100.0)	126 (100.0)	112 (100.0)	544 (100.0)

Table 4.3 Main reasons for not desiring employment extension by nationality of migrant workers

Reasons for not desiring extension	*Korean-Chinese*	*Chinese*	*Vietnamese*	*Indonesian*	*Filipino*	*All workers*
Earned as much as planned	1 (6.3)	2 (14.3)	–	14 (17.5)	3 (15.8)	20 (14.6)
Decrease in wages	1 (6.3)	2 (14.3)	–	2 (2.5)	5 (26.3)	10 (7.3)
Can get a job at home	2 (12.5)	2 (14.3)	1 (12.5)	1 (1.3)	1 (5.3)	7 (5.1)
Can get a job in other country	9 (56.3)	4 (28.6)	2 (25.0)	3 (3.8)	–	18 (13.1)
Homesickness	3 (18.8)	4 (28.6)	5 (50.0)	51 (63.8)	8 (42.1)	71 (51.8)
Other reasons	–	–	–	9 (11.3)	2 (10.5)	11 (8.0)
Total	16 (100.0)	14 (100.0)	8 (100.0)	80 (100.0)	19 (100.0)	137 (100.0)

difference between Indonesian and Korean cultures causes Indonesian workers to experience more homesickness.

Another interesting observation in the study, regarding differences in the desire to stay, is that migrant workers from Southeast Asian countries, including Vietnamese workers, appeared more likely to stay in the country for reasons related to earnings, while Chinese workers, including Korean-Chinese, were more likely to respond to employment opportunities. That is, for the former, factors related to earnings were more important than factors related to employment, while for the latter the reverse was the case. A similar picture is evident among workers who desired to return home. Workers from China were more likely to indicate employment reasons, such as “can get a job either at home or in other countries”, whereas those from Southeast Asian countries more frequently indicated “homesickness” than reasons related to earnings.

We observed the migrant workers’ desire to stay in the country as well as to return to their home countries in order to determine the possible extent of return migration. By this observation, we have learned that most migrant workers do not want to return to their home countries mainly because of the better earning and employment opportunities at their destination.

Conclusion

Research on international migration has been mostly concerned with the movements of people between two polar types of countries, developed and underdeveloped. Yet studies on immigration flows to NIEs are in the early stages. The latter demands new theoretical guidelines – broader than conventional ones – since the migration flows have emerged as the world capitalist system has developed.

Conventional migration theories still offer useful conceptual elements for investigating factors affecting the migration flows. However, those elements should be arranged so as to fit into the context of globalization. This study takes into account two sets of migration-determining factors from conventional theories – micro-level behavioral factors from neoclassical economic theory, and macro-level structural factors from neo-Marxian theory – and introduces meso-level organizational factors linking the micro- and macro-factors from social capital theory.

Under this theoretical guideline, our study conceives of international labor migration as movements of workers taking place in response to changing employment and earning opportunities in the world capitalist system, motivated by better earnings, conditioned by states’ immigration policy, mediated by migration networks and institutions, and influenced by social adjustment. We investigated the influx of migration in relation to changing employment and earning opportunities and the government’s immigration policy, the migration process in relation to motives of migration as well as labor relations and conditions, and social adjustment in relation to cultural differences between migrant workers and natives.

South Korea experienced migration transition – a reversal of migration from out-flow to in-flow – around the end of 1980s. This transition took place as the country's economy entered into what we called "mid-stage of development". With these changes, Korea received a considerable number of migrant workers from China and from most Southeast Asian countries, whose economies are far less developed than East Asian NIEs. About two-thirds of the migrant workers have been illegal sojourners, but the Korean government has not really tried to control them so as not to hurt their employers.

In the study, it was clear that migrant workers in the country were working longer hours and being paid less than native workers, but were earning far more than they would have done at home and thus could remit a considerable amount of their earnings to their homes. Nevertheless, migrant workers tended not to be satisfied with their wages, since these were substantially lower than their Korean counterparts', and they were liable to desert their companies when they found better-paying employers. In this way, the migrant workers form a labor market by themselves. For them, low wages are the most serious problem; for their employers, it is the workers' desertion.

Although the migrant workers often complained about their wages and their jobs were mostly of the "3D" type, relationships with their Korean bosses appeared to be fairly intimate. Due to cultural differences between immigrant workers and natives, some migrant workers can be seriously distressed and get homesick. However, most of them want to stay in the country for a fairly long period in order to maximize their earnings and because of unfavorable employment conditions at home.

Regarding migrants' labor relations and adjustment problems, it may be important to investigate the roles of migration networks, such as employment agencies and migrant ethnic groupings, as well as institutions such as trade unions and NGOs. Studies on these issues are in progress. Yet few general observations from our survey research can be made. In general, as immigration flow continues, migrants' communities develop by ethnic groups. In Korea, however, no formal ethnic organizations have developed because the government has not allowed such organizations in order to protect their employers from possible labor disputes. Therefore, ethnic groups tend to be fragmented, forming thousands of small peer groups. These informal groups have various functions in migrants' everyday life, but certainly have no power in protecting their rights. Perhaps for this reason, a lot of NGOs have developed that protect migrant workers' human and labor rights, demanding that ILO labor standards be applied to foreign workers as well as to natives. Initially, both the Korean Federation of Trade Unions and the Korean Confederation of Trade Unions joined the NGOs in this effort; however, subsequently they became less active as their concern turned to the possible negative impacts of the increase in the number of foreign workers on native workers' job security and morale.

From these observations we can draw following three inferences. First, it may be inferred that international labor migration taking place as a response to changing employment and earning opportunities at NIEs or semi-peripherals are

beneficial not only to employees and employers but also to labor-sending and -receiving countries. Unlike the brain-drain and settlement types of migration between underdeveloped and developed countries, these newly developing migration flows take place as a type of migration exchanging labor and remittance.

Second, labor globalization by international migration is not without problems. One serious problem may be conflict between migrant workers and their employers as well as native workers, which hinders local cohesion. Main sources of such conflicts are racial discrimination against the former. Yet migrants are not free from the responsibility for such conflicts, because they often fail to adjust to the native culture and society. In this regard, it can also be argued that successful globalization should be accompanied by successful localization – i.e., integration of global flows into local social networks.

Notes

1 For the studies, we administered three different questionnaires in South Korea and several overseas countries; the first for foreign workers (migrant workers in the case of the domestic survey and local workers in the case of overseas surveys), the second for their supervisors and managers, and the third for their company's top managers. These questionnaires were constructed to be comparable and supplementary to not only the surveys for the three groups of subjects, but also the domestic and the overseas surveys. In order to make cross-cultural studies possible, we also limited our subject of study to five ethnic groups of migrants and non-migrants – Korean-Chinese, Han-Chinese, Vietnamese, Filipinos and Indonesians. In this regard, it is worth noting that these five ethnic groups are among the largest groups of migrant workers in Korea, and also of local workers employed in overseas Korean companies.

2 This program was implemented under three different administrative guidelines stipulated by the Ministries of Justice, Small and Medium Business Administration, and Labor. Under the Korean Immigration Law, industrial trainees are allowed to stay in the country for two years and to obtain "employee status" for one additional year if qualified. The Ministry of Justice enacted 'Guidelines for Issuance of Industrial Trainee-employee Visas' in order to regulate their sojourn status in Korea. Included in the guidelines are the terms of training and employment, qualifications of trainees and training companies, and methods of recruitment. According to immigration law and the guidelines, trainees have no legal right as "employees" until they obtain employee status. The Ministry of Small and Medium Business Administration enacted "Guidelines for the Management of Aliens' Industrial Training Program" to regulate recruitment agencies and training organizations (business enterprises). For the welfare of trainees, finally, the Ministry of Labor enacted "Guidelines for the Management and Protection of Aliens' Industrial Trainees" in accordance with the Korean Labor Standard Act (for details, see Seok 1998).

3 In this first amnesty act, government authorities announced that if undocumented workers reported themselves and returned to their homes by the end of 1992, they would be free from possible monetary penalty. Nearly all undocumented workers (61,125 persons) reported themselves in response to this action, but only about 12 percent of them (6,705 persons) departed the country under the government's arrangements. However, the government did not take any compulsive action to send the remaining back to their home countries. On the contrary, as their employers appealed to the government to extend the deadline date of their workers' departure, the government postponed the departure deadline for one full year – until the end of June 1993 –

and again asked the workers to apply for an extension of their stay. Yet only about 29,000 workers applied for the extension, and few left the country by the postponed deadline, since the government acceded to the request for another postponement made by employers and industrial and business associations. This time the deadline was postponed to mid-July 1994. Responding to the second postponement act, only 13,000 undocumented workers applied for an extension of their stay. The government allowed them to stay for six months, and announced that it would deport all undocumented workers who did not report their residence. However, the government did not take any noticeable action in this regard. Thereafter, few undocumented workers worried about deportation or penalties due to illegal sojourn (Seok 1998).

4 The average earnings here reflect the earnings after the financial crisis. The average earnings before the crisis are estimated as having been about 650,000 won. This figure was obtained by adding the average decrease in monthly earnings.

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5 Stumbling democracy in South Korea

The impacts of globalization and restructuring

Hyun-Chin Lim

Globalization is a reality. It is not a matter of moving to the Left or the Right. It is a matter of dealing with reality. And the reality is that we have no alternatives.

A Cry from the (former) Third World

Introduction

According to Arnold Toynbee's famous dictum of "challenge-and-response" (Toynbee 1948), the history of a country unfolds through a series of internal responses against external challenges. He stressed that the greater the scope and intensity of the challenges a country faces, the more likely it is to become strong and wealthy. In its modern history, South Korea[1] has faced three significant external challenges: the opening of the ports in the age of imperialism, liberation following World War II, and globalization pressures after the collapse of the Communist bloc. It would be no exaggeration to say, however, that though Korea has tried to use those challenges as a stimulus for advancement, it has not been successful. As a matter of fact, it was colonized by Japan immediately following the forced opening of the ports; it was divided into a Communist North and an anti-Communist South under the Cold War world order, and had to accept trusteeship by the International Monetary Fund (IMF) to avoid national default after abortive globalization efforts in the 1990s. Today, Korea is still reeling from unprecedented globalization. Despite the fact that globalization had already penetrated the southern half of the peninsula on a large scale, the mis-managed *segyehwa* drive of Kim Young Sam's administration led to economic meltdown in 1997. Subsequently, the neoliberal reform by the Kim Dae Jung administration under the IMF's stewardship forced the country to expose itself even more to the capitalist world system. Metaphorically speaking, the country has become "naked" in that almost everything, from stockmarkets to animation industries, has been stripped of protection from global forces.

Globalization, as defined today, requires restructuring in accordance with free market ideals. Such restructuring is based on neoliberal ideology which insists on liberalization, privatization and deregulation. Korea, in fact, has been forced to open up its economy more and more in adjusting to global standards. It

should be mentioned that this economic restructuring has entailed, to a significant degree, social realignment and political change in Korea. Due to restructuring in response to the demands of globalization, the country has recently experienced growing social conflicts and widening political cleavages. Of particular importance here is that such globalization and restructuring have had a tremendous impact on the functioning of democracy in Korea, since increased social conflicts and widening political cleavages have hindered the full development of democracy. Democracy cannot grow under broken social cohesion and shallow political participation. Korea is well known for its transition to democracy in the early 1990s; however, a struggle to consolidate that democracy continued under the two civilian governments of Kim Young Sam and Kim Dae Jung.[2] Democracy is still only "partially institutionalized", in that inclusion and contestation have not led to representation and accountability.[3] Among new democracies, Korea is typical of what O'Donnell (1991, 1994) describes as "delegative democracy". There is indeed growing political apathy and devaluation of politics among a populace disenchanted with stalled democracy.

Although a classic conflict between democracy and capitalism is much debated in the existing literature (*cf*. Lipset 1959; de Schweinitz 1964; Hirschman 1971; Kurth 1979; O'Donnell 1979; Halperin 1997), no systematic attempt has been made to link democracy with globalization and restructuring. The present chapter attempts to fill this theoretical and empirical gap by investigating, through a case study of Korea, the understudied relationship among globalization, restructuring and democracy. It is assumed in this chapter that globalization and restructuring as exogenous variables are no less important than social structure and political culture are as endogenous variables in explaining the present status of democracy in Korea.

First, an analytical framework dealing with democracy in its relation to globalization and restructuring in Korea will be introduced. Then, the trajectory of globalization efforts and restructuring policies, the social and political consequences of economic restructuring, and challenges and failures in the march toward full democracy will be discussed. Finally, some theoretical and policy implications from this analysis will be presented.

Rethinking democracy under globalization and restructuring

The latter two decades of the twentieth century witnessed the collapse of various kinds of authoritarianism in Latin America, Asia, and Southern and Eastern Europe. What is significant in this third wave of democratization is that new democracies have been shaped to a large extent by globalization and restructuring geared to establishing free markets in a single capitalist world system. There has been a lot of discussion concerning the relationships not only between democracy and globalization (e.g., Bowles *et al*. 1993; Self 1993; Held 1995) but also between democracy and restructuring (e.g., Nelson 1990; Haggard and Kaufman 1992; Pereira *et al*. 1993). However, we do not know much about the

ways in which globalization, restructuring and democracy are interconnected in a nation-state context. Nevertheless, we can safely assume that globalization, mediated by restructuring, affects the ups and downs of democracy in a country, since restructuring as an intrinsic component of globalization is directed by the logic of accumulation inherent in capitalism which shapes relations of production and modes of domination.

In many developing countries, globalization has had very mixed results in terms of democratic achievement and economic progress (e.g., Wade 1990; Haggard 1992; Smith *et al*. 1994a, 1994b; Lele and Ofori-Yeboah 1996; Smith and Korzeniewicz 1997; Tardanico and Larin 1997). It is widely recognized that globalization generates both international and domestic disparities in which there is a minority of winners and a majority of losers. Among the (former) Third World countries, there are not many that have benefited from globalization. With a few exceptions, the transition from authoritarianism in the midst of growing disparities and inequalities has not proceeded to democratic consolidation. Globalization has brought about the expansion of democratic ideals, without the institutionalization of democratic practices. What globalization really promotes is a type of democracy that allows for the free flows of capital, goods and services across borders to generate accumulation on a worldwide scale. It also replaces class politics with identity politics, resulting in more diverse possibilities for political conflict (Wood 1997). Democracy functions only in a procedural manner, without enlarging social and economic citizenship. Even economic progress is often emasculated because of increasing social cleavages and political struggles. These social cleavages and political struggles over the long run are detrimental to the sustainability of democracy.

Globalization can be seen both as a form of domination and as a spur to resistance. In response to “globalization-from-above” dominated by transnational forces such as international economic institutions and TNCs, “globalization-from-below” has emerged to reclaim the power that transnational forces have usurped. Figuratively speaking, globalization is becoming “a brakeless train wreaking havoc” that should be checked by a new set of rules (Mittelman 2000: 235). Globalization-from-below finds its best hope for success in the development of what may be termed “global consciousness”, with an advent of international civil society thanks to the growing activities of International Non-Governmental Organizations (INGOs) (Falk 1993; Boli and Thomas 1999). However, INGOs, unfortunately, are not strong enough to reverse the disruptive trends of globalization. Their global impact is weakened even further by the fact that social movements are restrained by the web of national, social, political and economic ties they are enmeshed in (Keck and Sikkink 1998).

Surprisingly enough, George Soros, who has been accused of international financial speculation, called for new international institutions and mechanisms that could provide protection against the destructive forces of unregulated globalization. He regarded the global spread of laissez-faire capitalism as the main threat to an open democratic society:

> Although I have made a fortune in the financial markets, I now fear that untrammeled intensification of laissez-faire capitalism and the spread of market values to all areas of life is endangering our open and democratic society. The main enemy of the open society, I believe, is no longer the communist but the capitalist threat.... Too much competition and too little cooperation can cause intolerable inequities and instability.... The doctrine of laissez-faire capitalism holds that the common good is best served by the uninhibited pursuit of self-interest. Unless it is tempered by the recognition of a common interest that ought to take precedence over particular interests, our present system ... is likely to break down.
>
> (Soros 1997: 45, 48)

Undoubtedly, globalization is oriented to the integration of the capitalist world system that is promoted worldwide by restructuring. Restructuring refers to structural reform aimed at a comprehensive overhaul of the institutional framework of an economy.[4] Its standard form, recommended by the IMF and the World Bank, is a set of structural adjustment programs.[5] These structural adjustment programs can be divided into those calling for one or two years of short-run stabilization (a reduction of aggregate demand through macro-economic management such as devaluing currency, slowing down inflation, and reducing balance-of-payment deficits) and those calling for three to five years of medium-term structural change (encouraging earnings or savings through trade liberalization, price deregulation, and tax reform) (Nelson 1990: 3–4).

There are two ways to achieve structural adjustment in crossing "the transition valley". Orthodox adjustment programs attempt to achieve a fast transition, at the expense of low growth and high inequality, by tightening government budgets, downsizing the public sector and loosening labor protective laws. In contrast, unorthodox adjustment programs prefer a slow transition, pursuing high growth and better equality simultaneously by investing in production and welfare at the same time, despite the risk of conflict with foreign debtors (Kaufman and Stallings 1989).

These two formulas have their own respective transitional costs. The first formula tends to create severe social conflicts and political cleavages due to its austerity measures, low growth and high unemployment. The second formula often fails to stabilize the economy, and recreates the economic crisis by failing to fix structural deficiencies for fear of the side-effects of restructuring. We can see, especially among developing countries that have completed the transition to democracy from authoritarianism, additional obstacles originating from social conflicts and political cleavages. In turn, the lack of a tradition of democratic governance usually raises barriers to developing a long-term perspective on structural adjustments, since new democracies cannot solve the problem of promoting economic equality while crossing "the transition valley" (Przeworski 1991).

It is instructive to note that there have been more cases of failure than of success in the developing countries that have undergone the IMF's structural adjustment programs. Having evaluated critically a variety of empirical studies

conducted on the performances of these programs in different countries, Dasgupta (1998: 378) concludes that "there is no evidence that structural adjustment works". Indeed, almost all of the developing countries under the IMF's restructuring have shown a low degree of growth (even with denationalization of capital accumulation), growth without distribution, increased employment and underemployment, and growing foreign indebtedness.

It should be noted that neoliberal restructuring is an operational set of policies to enhance the proper working of globalization. Indeed, the IMF's neoliberal structural adjustment packages are designed to seek close integration of the economy of a developing country into the capitalist world system through trade liberalization and the removal of barriers to the international flow of capital, goods and services, through an extended role for the market combined with the reduced role of the state. It is in this context that we can see a direct relationship between democracy and restructuring. While free markets and liberal democracy taken together are considered the best option for developing countries, the experience these countries have had with development reveals that neoliberal restructuring has brought about a contradiction between the logic of democratization geared to increased participation and more equal distribution on the one hand, and the free market rationale of competition and efficiency on the other. Even worse is that neoliberal market-oriented restructuring does not necessarily generate conditions for economic growth, which is indispensable for providing a minimal social safety net, resulting in continuing resistance from various social classes and groups. Technocrats in particular favor "guided democracy from above" for the effective implementation of restructuring favorable to international investors, whereas the popular sector wants "participatory democracy from below" for the representation of its interests in the making of national policy (Gamarra 1994: 2–3; Preira *et al*. 1994: 182).

Korea provides an intriguing case of how globalization, restructuring, and democracy are closely interrelated one another. Figure 5.1 summarizes the causal relationship among them, along the timeline of events during the previous decade. The Kim Young Sam administration's *segyehwa* drive, followed by the Kim Dae Jung administration's neoliberal restructuring, was conducive to the deepening of globalization in Korea. The country has in fact implemented structural adjustment programs dictated by the IMF. Economic restructuring has

Figure 5.1 A synopsis of the South Korean case.

entailed social and political realignment, with serious social conflicts and political cleavages. It will be interesting to see the future of democracy in this process of restructuring.

Korea's *segyehwa* drive and neoliberal restructuring

Globalization is a buzzword that has multifaceted connotations. In fact, there is no coherent theory of globalization, and a proper conceptualization is desperately needed. It is ironic that globalization has not succeeded in universalizing its different usages across national boundaries; there is much variance from country to country in how the term globalization is translated, defined and applied (see the survey by Robertson and Khondker 1998). For example, globalization is translated as "全球化" ("whole-earth-ize") in China and Taiwan, and as "国際化" ("internationalize") in Japan, but as "世界化" (*segyewha* – "make like the world") in Korea. Both the Chinese and the Japanese translations are closer to the original meaning of globalization, because these indicate a tendency toward global uniformity. Korean usage departs from that of neighboring countries in that Korea has considered it a national development strategy. In fact, the Korean translation does not embrace the notion that whole world is becoming unified; rather, it implies that Korea is becoming like the rest of the world.

In Korea, globalization emerged as a primary national goal under the Kim Young Sam government (February 1993–February 1998), the first civilian government since the early 1960s.[6] Nowhere else can such an attempt be matched with an explicit government policy. After coming into power, Kim Young Sam articulated the bold idea of constructing a "new Korea" to cure the so-called "Korean diseases" inherited from the authoritarianism of the past. His globalization drive was a product of this "new Korea" policy. For Kim Young Sam, *segyehwa* signified a new vision of Korea for the twenty-first century, with an upgraded status and role in the international hierarchy of nations. It was, in fact, a self-proclaimed hallmark for his regime.

Globalization has developed through two stages: "internationalization" in May 1994 and "*segyewha*" in November 1994.[7] Internationalization was defined as "an inevitable process which every nation must undergo to ensure sustained stability and prosperity […by] trying to induce foreign investment, liberalizing its financial market, and preparing to join the Organization of Economic Cooperation and Development (OECD)" (Gills and Gills 2000: 36–37). Yet it was quickly replaced by *segyewha* as a national development strategy that was described as "rationalizing all aspects of life" and "reforms in every area" aimed at "a sweeping transformation of society" with increasing "productivity and flexibility" (Gills and Gills 2000: 38).

Segyewha was publicized as a necessity for Korea to flourish. This can be easily seen in one of Kim Young Sam's public speeches:

> Globalization is the shortcut which will lead us to building a first-class country in the 21st century. This is why I revealed my plan for globaliza-

> tion.… It is aimed at realizing globalization in all sectors – politics, foreign affairs, economy, society, education, culture and sports. To this end, it is necessary to enhance our viewpoints, way of thinking, system and practices to the world class level.… We have no choice other than this.
>
> (*Korea Times* 1995–01–07)

In the name of *segyehwa*, Kim Young Sam launched a series of reforms in almost every area: the military, politics, the economy, finance, labor, education, law and welfare. He must have thought that *segyehwa* was a panacea to cure all the irregularities and malpractices of the past. In order to achieve such a thorough reform, he made use of a top-down approach that was not effective in healing mistaken attitudes and wrong practices. Without recognizing the potential dangers inherent in globalization, he approached it as a viable national development strategy.

Not surprisingly, Kim Yong Sam's *segyewha* drive turned out to be a dismal failure. As a Korean-American scholar aptly commented (Samuel Kim 2000: 3), "the *segyewha* drive started with a bang but ended with a whimper". What Kim Young Sam envisaged as the mark of first-class country was to become a member of the OECD. Yet Korea was not able to anticipate profound changes in the rules of engagement in the international political economy, much less prepare for them. The national development strategy of *segyehwa* painted a rosy picture that was rich with rhetoric but poor in substance. Kim Young Sam's rosy picture of an advanced nation turned into the humiliating degradation of the country going through restructuring under the IMF's supervision.

The Kim Young Sam government was apparently aware of the danger that globalization could weaken national sovereignty in the making of industrial and financial policies. In reality, he did not hesitate to push financial liberalization and capital market opening, along with a series of deregulations for international capital flows. In hindsight, it appears that the regime was keen enough to prepare a balance sheet of the advantages and disadvantages of external opening in an era of globalization. Without any thoughtful safeguards for the national economy, however, the *segyehwa* drive paved the way for the financial meltdown in 1997. At the end of his single five-year presidency, Kim Young Sam was forced to ask for a $58 billion emergency bail-out from the IMF to protect against national default – the largest rescue package in the IMF's history.

The next civilian administration, the Kim Dae Jung government (February 1998–January 2003), was from its inception faced with the urgent task of coping with the economic crisis it had inherited from the previous government. When Kim Dae Jung took office the country was on the brink of default, with a shortage of foreign reserves and the overall economy in serious trouble. His solution to the economic crisis was to follow, without any reservation, the neoliberal reforms pushed by the IMF. Kim Dae Jung became an outspoken champion of the IMF for developing countries, retreating from his original stance in which he had been very critical of the IMF. He even pushed globalization a step further to

propose "universal globalism" through "freedom, human rights, justice, peace and equity for the whole world".

In his inaugural speech, Kim Dae Jung told the people:

> The information revolution is transforming the age of many national economies into an age of one world economy, turning into a global village.... Diplomacy in the 21st century will center around the economy and culture. We must keep expanding trade, investment, tourism and cultural exchanges in order to make our way in the age of boundless competition which takes place against a backdrop of cooperation.
>
> (*Korea Herald* 1998–02–25)

He went on to say that in today's global village there are no such things as national economies, GNP or national enterprises. This tells us that he was no longer a harsh critic of foreign loans and investments; nor did he blame them for harming the nation during the authoritarian developmental state era. Even though he identified one cause of the economic crisis as Kim Young Sam's misleading *segyehwa* drive, he intensified globalization to accommodate the IMF's neoliberal prescription of liberalization, privatization and deregulation. He became a vocal advocate of the neoliberal free market ideology.

The so-called "simultaneous development of democracy and a market economy" was a self-styled trademark of Kim Dae Jung.[8] It is not clear, however, how he thought he could deal with the inherent conflicts between the democratic ideal of equality and the market mechanism of competition. This golden rule of his was clear evidence that, for him, that rhetoric overshadowed substance. In fact, his vision of "a mass-participatory economy" is void of the specific policy tools needed to achieve growth, efficacy, equity and welfare at the same time.[9] The internal disparity and external dependence associated with globalization are ignored in his vision of democracy and market economy as two wheels of a cart.

Table 5.1 shows the economic performance of Korea between 1992 and 2000. Under the Kim Young Sam administration, the economy declined overall, culminating in a foreign liquidity crisis in 1997. The Kim Dae Jung administration also encountered difficulties in its attempt to overcome the economic downturn. It should be noted that Korea accumulated $96 billion of foreign reserves under Kim Dae Jung, mainly due to the enormous trade surplus of $80 billion over four years. This big trade surplus occurred mainly because of decreased imports rather than increased exports.[10] Another problem during the Kim Dae Jung administration was that it incurred a huge public debt in the process of recapitalization of the financial sector. By the end of 2000, the government had poured a total of $160 billion into the financial sector. It should be emphasized that unfortunately most of those funds are not retrievable. Moreover, privately-incurred debts also became the responsibility of the state.

The Kim Dae Jung administration's restructuring is more characteristic of crisis management than of systematic overhaul. Short-term stabilization out-

Table 5.1 Macro-economic indicators of South Korea, 1992–2000

Items	*Indicators*	*1992*	*1993*	*1994*	*1995*	*1996*	*1997*	*1998*	*1999*	*2000*
National account	GNI (bil. $)	314.3	345.7	401.7	488.1	518.3	474.0	313.0	402.1	455.2
	Annual GDP growth rate	6.2	8.9	14.0	8.9	6.8	5.0	–6.7	10.7	8.9
Trade	Exports (mil. $)	76,198	82,089	94,963	125,058	129,715	136,164	132,313	143,686	172,268
	Imports (mil. $)	77,953	79,770	97,824	135,119	150,339	144,616	93,282	119,752	160,481
	Trade balance (mil. $)	–1,754	2,318	–2,859	–10,061	–20,624	–8,452	39,031	23,933	11,786
Foreign Loans	Foreign liabilities (total)	42,819	43,870	97,437	127,491	163,489	159,237	148,705	137,069	131,668
	Foreign reserve (mil. $)	17,514	20,262	25,673	32,712	33,237	20,405	52,041	74,055	96,198
Employment	Unemployed (1,000 person)	466	551	490	420	426	556	1,461	1,353	889
	Unemployment rate (%)	2.4	2.8	2.4	2	2	2.6	6.8	6.3	4.0
Public Finance	Balance (mil. $)	–	–	–	1,242	1,099	–6,959	–18,757	–13,120	5,577
	Debt (mil. $)	–	–	–	22,518	25,644	28,542	41,572	61,168	71,226
Corporate Finance*	Equity to total assets (%)	–	–	–	27.2	24.9	20.4	25.3	31.4	35.6
	Debt ratio (%)	–	–	–	347.5	386.5	512.8	379.8	218.7	171.2

Source: National Statistical Office, *KOSIS Data Base, 2001* (www.nso.go.kr); Bank of Korea, *Economic Database, 2001* (www.bok.or.kr); Korea Development Institute, *KDI Economic Outlook, 2001* (www.kdi.re.kr).

Note
*The Top 30 Chaebol groups.

weighed long-term structural change. The country attempted to achieve structural adjustment in a relatively short period of time, with the audacious goal of achieving growth and distribution simultaneously. Accordingly, the restructuring was geared toward revising macro-economic coordination rather than initiating an overall rebuilding of the institutional basis of the inefficient economy.

In Korea, the mistaken *segyehwa* drive was followed by wholesale neoliberal reforms. Those neoliberal, market-oriented reforms consisted of orthodox structural adjustment programs aimed at liberalization, privatization and deregulation, with an emphasis on financial recapitalization, corporate reorganization, labor market flexibilization and public sector downsizing[11] (Lim 2000a, 2000b). Basically, restructuring was designed to strengthen national competitiveness by extending transnational linkages within the capitalist world system.

Nevertheless, South Korea's restructuring is somewhat distinctive in that the neoliberal market reform package included a neo-corporatist ideology of social partnership among labor, management and government. The Kim Dae Jung administration also took a somewhat unorthodox approach, pursuing investment and welfare at the same time by strengthening the social safety net. The emphasis on a social safety net differs in a significant way from the experience of most Latin American countries, where distribution and welfare have been generally neglected in restructuring. In Korea, however, neo-corporatist partnerships have not taken root. The Labor–Management–Government Tripartite Commission was ineffective due to labor's dissatisfaction with the downsizing and layoffs required by the government's restructuring program. Moreover, the expansion of welfare has proven to be ineffective in reducing unemployment and inequality.

Social and political consequences of economic restructuring

Neoliberal restructuring has given rise to a new social structure that is more open to the outside world but is also internally fragmented. Defining this nascent social structure is not easy, for Korea embarked on neoliberal restructuring less than a decade ago. It is worth pointing out, however, that dramatic changes in society are being generated by a neoliberal pattern of development.

Currently, Korea is undergoing a high degree of transnationalization of society. Originating under globalization as the official ideology of the Kim Young Sam administration, the even greater opening up of the country pursued by the Kim Dae Jung administration's neoliberal policy of liberalization, privatization and deregulation accelerated, further blurring the line between home and abroad. The country is so deeply integrated into the international system that a free flow of capital, goods and services is allowed.[12] Transnationalization entails a dual society in which the internationalized sector is increasingly separated from the non-internationalized sector, and a big gap has emerged between lifestyles and value systems.

Structural change manifests itself in changes in class definitions and interclass relationships. Korea is experiencing increasing class differentiation.

Classes and the differences among them differ substantially in the pre- and post-economic crisis eras. Before the crisis, there was a growing middle class on the one hand, and an increasing working class on the other. After the crisis, the middle class and the working class shrank due to massive layoffs and resulting unemployment in the process of restructuring.

Corporate insolvency, shutdowns and downsizing contributed to increased unemployment. If we include among the unemployed those who work less than 15 hours per week, the number of unemployed reached 2 million in 1998, representing a 10 percent unemployment rate. Thanks to government-initiated public work programs and a general economic recovery in 1999, the number of unemployed decreased to about 5 percent. It should be borne in mind, however, that neoliberal restructuring has created winners and losers in a labor market characterized by more flexibility and specialization. Employment growth has in fact resulted in an increase in contingent workers rather than regular workers. Midway through the Kim Dae Jung administration, temporary and daily workers accounted for 52.9 percent of the total workforce, surpassing regular workers at 47.1 percent.

Deteriorating income equality is clearly revealed in Table 5.2. The income share of the wealthiest 20 percent climbed from 37.5 percent in 1995 to 39.8 percent in 1998, while the income share of the poorest 20 percent declined from 8.5 percent to 7.4 percent during the same period. During this time span, the income share of the wealthiest 20 percent increased from 4.41 times to 5.38 times the income share of the poorest 20 percent. The GINI coefficient decreased from 0.283 in 1997 to 0.315 in 1998 and to 0.327 in 1999.

We have a crude picture of the changing class structure in Table 5.3. Both the upper class and the lower class have increased in size, while the middle class has shrunk. As a result of structural adjustment, a three-tier society is emerging in which the bottom 15 percent of economically inactive workers are unemployed or marginalized, a middle-upper 50 percent of workers are secure in their jobs and a middle-lower 15 percent of workers are insecure in their jobs, and a top 20 percent hold tenured jobs. The neoliberal logic of accumulation leads to social fragmentation: a new small entrepreneurial class engaged in the information technology industry has emerged, while a large underclass has appeared in the

Table 5.2 Changes in income distribution

Year	*Overall size distribution of income*					*Ratio (V/I)*	*GINI coefficient*
	I. Lowest 20%	*II. Second quintile*	*II. Third quintile*	*II. Fourth quintile*	*II. Highest 20%*		
1995	8.5	13.5	17.5	23.0	37.5	4.41	0.284
1996	8.2	13.3	17.5	23.1	37.2	4.62	0.291
1997	8.3	13.6	17.7	23.2	37.2	4.49	0.283
1998	7.4	12.8	17.1	22.9	39.8	5.38	0.315

Source: National Statistics Office, *KOSIS Database*, 2000.

Table 5.3 Changes in class structure (%)

		1997		*1998*		*1999 1st half*	
High income		21.8		22.9		22.9	
Middle income	Upper	68.5	54.8	65.4	51.6	65.1	51.4
	Lower		13.7		13.8		13.7
Low income		9.7		11.7		12.0	

Source: Kyung-Joon Yoo, "Changes in Income Distribution and Poverty in South Korea After IMF Bail-Out", Korea Development Institute, Working Paper 2000–2001, 2000, p. 3.

form of the unemployed or the underemployed. Together with this polarization of society, we can also see a process of proletarianization; the number of people who sell their labor power without control over the means of production has increased by a large margin.[13]

The changing social structure creates a setting in which collective identities are reconstituted. Neoliberal restructuring tends to enforce the survival of the fittest according to the law of the jungle. People are traumatized by this, especially individuals, groups and classes the jungle judges less fit. In the process of structural adjustment, there are unavoidably beneficiaries and losers. Fragmented along lines not only of regionalism but also of inequality, Korean society is experiencing a thinning social cohesion, with growing diversity and heterogeneity among its members. People might form new social identities for future collective action.

Since the Korean War, Korea has been characterized by a strong state and a weak civil society, with the underdeveloped latter repressed by the overdeveloped former. Political society has had limited space for building bridges between state and civil society, since political parties have not functioned well enough to mediate diverse interests among social groups and classes. The three major political parties during the Kim Dae Jung administration, the NMDP (New Millennium Democratic Party), the GNP (Grand National Party) and the ULD (United Liberal Democrats), cannot be seen as mass parties because they were created by and remained at the disposal of individual political leaders. They were continuously reorganized by the "three Kims" and their successors.[14] They were all region-based cadre parties held together primarily by the founder's personal charisma.

After the transition to democracy in 1992, there was no tutelage power such as the military or business to exert a substantial influence covertly. Howver, the establishment of procedures consonant with democratic governance is limited, because the electoral system does not operate in terms of policy lines (see Valenzuela 1992: 71–73). Political parties are weak in developing policies for interest representation based on a particular ideological orientation: the three major political parties in the 1990s had almost the same ideological platforms.[15] Party politics are still fluid and volatile. Linkages between parties and most citizens are so weak that a majority of citizens question the legitimacy of parties and elections.[16]

Democratic consolidation has a long way to go, as neither "horizontal accountability" on the basis of separation of powers between the executive, the legislative and the judiciary nor the state's "vertical accountability" to civil society by policy formation is fully established (O'Donnell 2001). Democracy is "partially institutionalized", similar to new democracies in Latin America, although two different civilian governments appeared in the 1990s through presidential elections.

Only since the late 1980s has civil society begun to grow on a full scale.[17] Social movement organizations are not yet sufficiently developed to mediate conflicting interests among the diverse social groups and classes in civil society. Both the Kim Young Sam administration and the Kim Dae Jung administration utilized a political strategy of alliance with social movement organizations by coopting selectively the core members of the organization; they did not allow the social movement organizations to become an independent political force.[18] There are two major types of social movement organizations: citizens' groups and populist groups. Citizens' groups, mainly composed of white-collar workers, professionals and intellectuals, put emphasis on incremental institutional reform. Populist groups, largely consisting of blue-collar workers, peasants and farmers, pay much more attention to fundamental structural reform (Sunhyuk Kim 2000: 106–112). While citizens' groups represent a new social movement orientation without particular class interests, populist groups share the old social movements' orientation of clear class interests. Some social movement groups have tried to exercise influence over the formulation of government reform measures, and have even intervened in various disputes and feuds arising from interest conflicts related to them. The NGOs (Non-Government Organizations) are newly emerging agencies that have influential power.

The dominant view on restructuring is that a market economy is wholly compatible with democracy (Haggard 1992: 341). Unlike in Western Europe, however, where the emergence of market relations contributed to the destruction of a traditional status hierarchy and arbitrary state power, in developing countries restructuring becomes a source of political tension between capitalism and democracy. There is a certain amount of strain between them; capitalism as a logic of accumulation emphasizes individual rights for the allocation and consumption of resources, while democracy as majority rule favors equalizing rights for a fair distribution of resources.[19] In this sense, neoliberal restructuring tends to exacerbate existing social disparities by situating social members in a market setting where individual rights are preferred. This is why structural adjustment programs bring about increasing social conflicts and political cleavages caused by disparities and dissolution. Political stability is threatened due to the state's inability to guarantee certain kinds of rewards to various social groups and classes. Especially in a period of economic downturn, increasing social conflicts and political tensions tend to undermine political stability. This is true of Korea recently, as well as of its past experiences of considerable economic stagnation and depression.

Korea illustrates some major changes in the social organization of political

power over time in its turbulent modern history. Acuna and Smith (1994: 19) define the social organization of political power as an institutional ensemble of all the interacting social and political agencies seeking their respective interests and objectives, with different resources and capacities. No doubt, the emergence of the Kim Dae Jung government gave momentum to a radical change in the social organization of political power for two reasons. First, the Kim Dae Jung administration was the second civilian government that emerged to consolidate democracy in the aftermath of authoritarianism. It faced the political task of advancing proactive reform measures following the previous Kim Young Sam administration's efforts to eradicate authoritarian irregularities. Second, the Kim Dae Jung administration differed in significant ways from the Kim Young Sam administration in that it replaced the Kyŏngsang Provinces with the Chŏlla Provinces as the regional power base of the ruling party. Although the Kim Young Sam administration was the first civilian government, it was nothing but a continuation of Kyŏngsang power that had, since the foundation of the Republic in 1948, dominated Korean politics. In fact, all the past presidents originated from the Kyŏngsang region.

It is important to point out, however, that the Kim Dae Jung administration did not live up to the expectations of a complete reshuffle of political power. Born of an electoral coalition between his Chŏlla and Kim Jong Pil's Ch'ungch'ŏng Provinces as two regional support bases, the Kim Dae Jung administration was initially forced to accept the status quo because it relied on support from the conservative Kim Jong Pil. Kim Dae Jung's shallow power base even forced him to ally with old political elites from the authoritarian regimes of Chun Doo Hwan and Roh Tae Woo. Rather than building a cohesive political coalition for reform, he did not hesitate to compromise with the old establishment.[20] Although a radical change in political power was predicted in theory, in reality it did not happen at all. There was merely a "circulation of elites" from Kyŏngsang to Chŏlla in key posts; not only in public sectors but also in private sectors. Rampant corruption during the Kim Dae Jung administration was a manifestation of regional favoritism combined with money politics. Currently, Korea finds itself again in a mire of regional antagonism.

It is important that the neoliberal market-oriented restructuring was undertaken during the period of the Kim Dae Jung administration, when some changes in the reorganization of political power were anticipated. It is well known that restructuring incurs fundamental changes in relations between state and society along the line of a new pattern of accumulation. A neoliberal model of accumulation tends to transform the existing relation of production and mode of domination in terms of the redistribution of power and wealth.

As an antithesis to the developmental state model that Korea has adopted for the past four decades, neoliberal market-oriented restructuring brings in transnational agencies as the core of the accumulation process, with a weakening role for state as an autonomous national unit in the world capitalist system. Paradoxically, the restructuring experience of many developing countries shows that liberalization, privatization and deregulation as the main tools of neoliberal

structural adjustment "uphold the state to denationalize the economy and destroy it" while subordinating the state to the logic of multinational capital at the same time (Hoogvelt 1997: 168–169).

It is from this paradoxical nature of the IMF's neoliberal restructuring that the state has exercised power to impose market-driven structural adjustment programs in Korea. However, in serving the immediate interests of multinational capital for macro-economic stability and international competitiveness, the state is losing its capacity to adjust national industrial and financial policies. In spite of its strong administrative power, the state's "embedded autonomy" is shrinking, notably in formulating public policy.[21] The state no longer enjoys significant control over different social groups and classes. In reorganizing society and guiding the economy, it faces clear constraints, strikingly departing from the prowess of past developmental states. This is an apparent retreat from "organic statism", which allowed the state to intervene in society and economy not only directly but indirectly as well.

Regime change has led to the formation of a new ruling coalition. This power shift has provoked a basic transformation in relationships among the key social and political agencies, with accompanying changes in each particular actor's structural position in society. An examination of the major beneficiaries and losers related to various reform measures can also pinpoint not only the sources of discontent but also the nature of the conflict they produce.

The emergence of the Kim Dae Jung government marked a significant change both in the development alliance and in the ruling coalition. The IMF's restructuring replaced the old development alliance between the state and local capitalists with the new development alliance between transnational agencies and the state. Both Korea's economic boom and its economic crisis over the past few decades are inherent in the process of dependent development in which factors of success and factors of failure are intermixed. Dependent development in Korea has relied upon the double alliance of the state and local capitalists (Lim 1985). This is saliently different from the experiences of Latin American countries in which the state, local capitalists and transnationals constituted a triple alliance.[22]

Now local capitalists find themselves in a weak position, and the working class and the farmers are again excluded from participating in society and enjoying the fruits of distribution. The Kim Dae Jung administration tried in vain to mobilize a political coalition of people from different social groupings, capitalists, workers, middle class, self-employed and farmers, with a neo-corporatist social partnership. In the new ruling coalition, however, there was little which was really new. It included many political elites from the old establishment, with mostly the same technocratic bureaucrats controlling policy decisions. One of the most apparent changes was the fact that the center of power moved from Kyŏngsang in the southeast to Chŏlla in the southwest. In the past, the people from Chŏlla had been denied political power and excluded from key posts both in public and private sectors (see Chapter 2 of this volume). In the Kim Dae Jung administration, they occupied core positions in the state apparatus,

including such centers of power as the National Security Planning Board, the National Revenue Service, the Prosecutor's Office, the Presidential Secretariat Office, the Ministry of Defense and others.

Democracy in stalemate

Democracy is still inchoate in Korea. Although three civilian governments have assumed power through regular presidential elections, the rule of law under constitutionalism has not yet been fully established with representativeness and accountability. In this sense, what Korea enjoys at present is "electoral democracy" rather than "liberal democracy".[23]

It has been generally assumed that the mode of transition determines the type of democracy to a significant degree (Karl and Schmitter 1991). Interestingly enough, in Korea, swift democratic transition has caused a delay in consolidating democracy. From a comparative perspective, Korea belongs to a "transition by transaction" in that it was quite successful in achieving a democratic transition through a political pact between the ruling elites and the opposition groups (Mainwaring 1992: 320). This kind of "transition through transaction" prevented a complete collapse of the old establishment, since the old elite held on to a certain share of political power in the newly formed democratic government. What is more significant is that the political pact was not followed by a social pact in the process of democratization. The democratic breakthrough was achieved by citizens, students and workers, yet they were excluded from the negotiations which resulted in the political pact. This is not unexpected, since a new democracy is inevitably incomplete, because its support by various social classes and groups is somewhat tentative.

The democratic transition from quasi-civilianized military rule began when Kim Young Sam won the presidential election in 1992.[24] His electoral victory was made possible by a regional coalition on the basis of a "grand conservative alliance" among three conservative parties: Two years earlier, faced with a parliament that had a small governing party and large opposition parties, President Roh Tae Woo initiated a merger of his governing Democratic Justice Party (DJP) with two opposition parties, the Reunification and Democratic Party (RDP) led by Kim Young Sam, and the New Democratic Republican Party (NDRP) led by Kim Jong Pil, into a newly formed Democratic Liberal Party (DLP).[25] In the 1997 presidential election, Kim Dae Jung used a similar strategy to beat the ruling party's candidate Lee Hoe Chang by building an electoral coalition between two opposition parties, his NCNP and Kim Jong Pil's ULD. In fact, the Kim Dae Jung regime was an outgrowth of the so-called DJP coalition between the progressive NCPP and the conservative ULD. The NCNP–ULD coalition was nothing but an illicit union of two ideologically conflicting political forces based in different regions, drawn together by the promise of a constitutional amendment that would create a parliamentary cabinet system.[26]

Imitating the US, Korea has adopted a presidential system in which the executive, legislative and judiciary branches of government theoretically share equal

power. Unlike the American prototype, however, the Korean version is characterized by a weak check-and-balance system between the three branches: the judiciary branch does not maintain autonomy, since the president intervenes in its jurisdiction. Moreover, the legislative branch does not exercise law-making power on its own, since the governing party is dominated by the executive branch.[27] Surprisingly enough, the ideal of sharing power among the three branches has not been achieved even under civilian governments: the dominance of the executive branch over the other two branches is the present state of democracy. Policies are shaped mainly through executive-controlled channels, without sufficient input from political parties.

In Korea, a strong presidential system tends to produce a somewhat authoritarian leader, by undermining party politics. The country's president serves as the president of the ruling party. He dominates the parliament, which depends on him to carry out parliamentary activities. He marginalizes the entire National Assembly, not just parties. Political parties are unable to function as the central articulators of diverse interests in civil society. Considering the fluid and unarticulated party system, it is difficult to expect democracy to work properly. Even electoral participation has become a political game.

The political parties are leader-oriented rather than program-oriented (Kim 1998: 138). It is not unusual for parties to be disbanded or created at a leader's discretion. The lack of policy orientation, combined with opportunism, has brought about transformism[28] that hinders the development of a stable party system. Party politics are doomed to be fluid and unstable. Political parties do not function to mediate conflicting interests among social classes and groups, much less directing national policies. Though they are supposed to represent the people's views, they do not have solid class and group bases in civil society. Based on regional support mediated by personal ties, they are instead the tools for regional leaders to use in their pursuit of the presidency. The NMDP, GNP and ULD were all regional parties, and the same can now be said of the Our Open Party (OOP). It should be remembered that regional cleavages did not originate at the societal level, but were generated at the political level, imposed upon civil society by the political elites. Table 5.4 illustrates the severity of the regional cleavages in Korea. The outcomes of the 1987, 1992 and 1997 presidential elections reveal almost the same pattern of regional voting behavior. The Chŏlla region was the NMPD's stronghold, Kyŏngsang was the GNP's, and the ULD had Ch'ungch'ŏng.[29] Although the electorate has a weak sense of partisan affiliation, it continues to vote in blocs on the basis of regional favoritism. More evidence for this can be seen in the distribution of seats in the 16th National Assembly, after parliamentary elections in the spring of 2002. The MPD dominated Chŏlla (25 among 29), the GNP monopolized Kyŏngsang (64 among 65) and the ULD prevailed in Ch'ungch'ŏng (11 among 24). The elections for the 17th National Assembly again revealed the power of regionalism, with Roh Moo Hyun's new OOP winning seats in former MDP and ULD strongholds while the GNP continued to trounce it in the east.

It is ironic that in Korea the presidency is stronger under a civilian president's

Table 5.4 Votes by region: three presidential elections, 1987, 1992, 1997

Presidential election	*1987 PE*				*1992 PE*				*1997 PE*			
Candidates region	*RTW*	*KYS*	*KDJ*	*KJP*	*KYS*	*KDJ*	*CJY*	*PCJ*	*KDJ*	*LHC*	*RIJ*	*KYG*
Total	36.6	28.0	27.1	8.1	42.0	33.8	16.3	6.4	39.7	38.2	18.9	1.2
Seoul City	30.0	29.1	32.6	8.2	36.4	37.7	18.0	6.4	44.9	40.9	12.8	1.1
Inchŏn City	39.4	30.0	21.3	9.2	37.3	31.7	21.4	7.9	38.5	36.4	23.0	1.6
Kyŏng-Ki	41.4	27.5	22.3	8.5	36.3	32.0	23.1	6.9	39.3	35.5	23.6	1.0
Kang-Won	59.3	26.1	8.8	5.4	41.5	15.5	34.1	6.9	23.8	43.2	30.9	1.0
Taejŏn City					35.2	28.7	23.3	11.2	45.0	29.2	24.1	1.2
N. Ch'ungch'ŏng	46.9	28.2	11.0	13.5	38.3	26.0	23.9	9.4	37.4	30.8	29.4	1.3
S. Ch'ungch'ŏng	26.2	16.1	12.4	45.0	36.9	28.5	25.2	6.7	48.3	23.5	26.1	1.0
Taegu City	70.7	24.3	2.6	2.1	59.6	7.8	19.4	11.7	12.5	72.7	13.1	1.2
Ulsan City									15.4	51.4	26.7	6.1
N. Kyŏngsang	66.4	28.2	2.4	2.6	64.7	9.6	15.7	8.2	13.7	61.9	21.8	1.5
Pusan City	32.1	56.0	9.1	2.6	73.3	12.5	6.3	6.6	15.3	55.3	29.8	1.2
S. Kyŏngsang	41.2	51.3	4.5	2.7	72.3	9.2	11.5	5.5	11.0	55.1	31.3	1.7
Kwangju City	4.8	0.5	94.4	0.2	2.1	95.8	1.2	0.4	97.3	1.7	0.7	0.2
N. Chŏlla	14.1	1.5	83.5	0.8	5.7	89.1	3.2	0.8	92.3	4.5	2.1	0.4
S. Chŏlla	8.2	1.2	90.3	0.3	4.2	92.2	2.1	0.6	94.6	3.2	1.4	0.2
Cheju	49.8	26.8	18.6	4.5	40.0	32.9	16.1	8.8	40.6	36.6	20.5	1.4

Source: Central Election Management Committee (Recited from Byung-Kook Kim, 2000:182).

Notes

Taejon votes were included in South Ch'ungch'ŏng Province in 1987, before it became a "special city" with an independent local government of its own.

The votes of Ulsan City residents were counted separately only in 1997. Before it became a "special city", its vote was counted as a part of North Kyŏngsan Province's votes.

Abbreviations: 1987 PE. RTW: Rho Tae Woo, Democratic Justice Party; KYS: Kim Young Sam, Unification Democratic Party; KDJ: Kim Dae Jung, Peace Democratic Party; KJP: Kim Jong Pil, New Democratic Republican Party; 1992 PE. KYS: Kim Young Sam, Democratic Liberal Party; CJY: Chung Joo Young, National Party; PCJ: Park Chan Jong, New Party. 1997 PE. KDJ: Kim Dae Jung, National Congress for New Politics; LHC: Lee Hoe Chang, Grand National Party; RIJ: Rhee In Jae, New Party for the People; KYG: Kwon Young Gil, The People's Construction Triumph 21 (Labor Candidate).

democratic rule than under a military president's authoritarian rule. One might say with certainty that a strong presidency is essential for carrying out reforms to eradicate the past authoritarian irregularities. Yet behind the phenomenon of the so-called "emperor-like president" are civilian presidents who were undemocratic during their struggle against authoritarianism, being more familiar with authority, hierarchy and obedience. Under a political culture in which personalized authority outweighs institutional power, they have tended to enjoy supreme power as executive leaders. A strong presidency is an outcome of the personalization of power embedded in the Confucian hierarchical political culture.

As O'Donnell has continued to warn in his observations on new democracies in developing countries, "delegative rule" is prevalent under civilian leaders in Korea. The country is close to "delegative democracy". Particularism in the form of clientalism and nepotism coexists with the formal rules and institutions of polyarchy. Democracy, to borrow his words, is "informally institutionalized" (O'Donnell, 2001: 114). In contrast to institutionalized political forms, "delegative democracy" is non-institutionalized; it refers to the practice of executive authority doing whatever it sees fit for the country while pretending to be deputized to do so by the populace. It is thus hostile to the strengthening of political institutions, resulting in weak horizontal and vertical accountability. A big gap exists between the president and the people, resulting in a concentration of power in the executive. Democracy thus becomes distorted.

Reform politics prevailed both in the Kim Young Sam administration and in the Kim Dae Jung administration in their respective efforts at globalization and restructuring. These two civilian governments tried to differentiate themselves from the previous military-born authoritarian regimes: the Kim Young Sam government called itself "a truly civilian government", and the Kim Dae Jung government called itself "the government of people". In so doing, the two Kims made wide use of reform politics in securing legitimacy and efficiency. Striving to mobilize popular support by utilizing public opinion and propaganda, they were not truly populist leaders. Yet more populist elements can be found in Kim Dae Jung than in Kim Young Sam. Kim Dae Jung liked to show up in front of the mass media to argue for his reform policies. It is in this context that reform was distorted by political rhetoric without much substance. The *segyehwa* drive and neoliberal restructuring were, among other things, good examples of such an endeavor. Politicized reform drives actively depoliticized the general population, blocking wide participation in policy formulation, thereby resulting in a concentration of power in the hands of the president himself. In implementing reforms, both Kims preferred control from above to participation from below. This breed of deformed polyarchy is characterized by a concentration of power in executive hands and a neo-populist leadership style of the elected president.

It might appear somewhat presumptuous to argue that both the Kim Young Sam administration and the Kim Dae Jung administration were strong in appearance but remained weak in substance. However, because of the delegative nature of political power, these administrations were similar to each other in their inability to bring about consensus in civil society, along with a low degree of

infrastructural ability to enforce the law. They were indeed incapable of managing various social conflicts and political cleavages that emerged in the process of reforms, since a democratic mechanism for conflict management could not be utilized due to the weakened infrastructural power to enforce the law.

In Korea, there has been a wide gap between a maximalist concept of democracy and a minimalist concept of democracy. It goes without saying: No procedural democracy, no substantial democracy. Democratization has inspired popular aspirations for not only political democracy but also social and economic democracy. As in many new democracies, however, these popular aspirations have led to feuds between the reactionaries who believe social and economic democracy leads to socialism, and the radicals who want social and economic democracy without resorting to political democracy. People are largely divided over whether to accept socialism or not due to the reality of harsh North Korean Communism combined with the strong anti-Communist ideology nurtured by authoritarian regimes. A Labor Party was not allowed until the Kim Dae Jung administration endorsed the political activities of labor unions. Labor's weakness in party politics can be proven by the fact that the Labor candidate, Kwon Young Gil, obtained only 1.2 percent of the vote in the 1997 presidential election.[30]

Ideological disagreements have undermined the possibility of a democratic class compromise that is necessary for bridging difference in society. It is a truism that Korea is not ready for class compromise. In order for a democratic class compromise to succeed, both the right and the left must be allowed to maintain their respective policies in a parliament which is strong enough to channel diverse interests in civil society. Yet in Korea, where political parties do not play the central role of interest representation, the major social and political agencies have no institutional mechanism for placing their cards on the table for policy formulation and implementation.

In this regard, the failure of the Kim Dae Jung administration's effort at a neo-corporatist arrangement is self-evident,[31] even if it is credited with establishing such a social partnership for the first time in the country's history. The country does not have a tradition of political negotiation and incorporation, and the state, labor and capital have not developed trust in each other. While capital is centrally organized by the Federation of Korean Industries, labor is divided by two national centers: the Federation of Korean Trade Unions and the Korean Confederation of Labor Unions. Business associations regret that they made concessions to accept labor participation in the policy-making process, and labor unions feel that they were betrayed by the government pushing massive layoffs. Against this backdrop, the Government–Management–Labor Tripartite Commission has been impotent in bringing about social partnership. The Tripartite Commission provides only policy recommendations that are easily ignored by the other government branches.

The neo-corporatist failure led the Kim Dae Jung administration to seek to establish an alliance with a strategic segment of political society and civil society for the purpose of excluding the majority of the social and political agen-

cies by neutralizing their capacity for collective action.[32] The result was a government with a dual charter, a political strategy of inclusion combined with one of exclusion. It is in this sense that what Acuna and Smith called "a dual democratic regime" is readily applicable to the Kim Dae Jung administration. The government's political stability was promoted by "a dual logic of state power (respect for the allied minority and disarticulation of the rest) and the unequal distribution of resources (benefits are extended only to allied sectors of business and organized labor)" (Acuna and Smith 1994: 47). Aggravated political cleavages, combined with growing social conflicts, are a natural result of the dual logic of power and the unequal distribution of resources in the process of exclusionary neoliberal reform. In Korea today, elections are losing importance in the midst of a democracy that is dual in power and distribution. This low-quality democracy is attractive to global capitalism that seeks to expand accumulation through competition and efficiency without due concern for social provision and economic justice. As Putnam (1997: 59) observed earlier, "while democracy is spreading globally, it is also eroding locally". Globalization and restructuring have worked to provide grounds for procedural democracy with delayed consolidation of democracy.

Conclusion

It is not too harsh to argue that Korea still has a long way to go before the country can enjoy a high-quality democracy. Despite three consecutive civilian governments through the peaceful transfer of power, democracy has not matured, in that representation from the people does not go hand in hand with government's accountability. Civil society is not strong enough to act against the state; political parties as a main organ of political society do not properly function to mediate conflicting interests among diverse classes and groups in the process of policy formation.

Currently, the big question is, to what extent has Korea mastered the lessons of its economic crisis? The recent development experience of Latin American countries teaches us that democracy will fluctuate depending on how well economic restructuring is implemented. Restructuring encounters conflicts of interests among social classes and groups, since it is a process involving the redistribution of power and wealth. The consolidation of democracy is easily delayed under pressure from growing social conflicts and political cleavages. Significantly, a democratic polity tends to have a better "survival rate" even with worse economic performance, for social conflicts and political struggles can be appropriately managed by democratic procedures and institutions. It is in this context that the deepening of democracy is of utmost importance in order for Korea to cope with sociopolitical tensions arising from uneven economic restructuring.

Korea cannot swim against the current wave of globalization in the sea of multinational capitalism. Going against globalization means alienation from international cooperation and development. We should bear in mind, however,

that globalization is not a unilinear process of homogenizing the whole world. Korea must find its own vision and strategy of globalization in a way that takes full advantage of opportunities with due attention to constraints. Restructuring in this sense can be regarded as a means to survive under the megatrend of globalization. Like globalization, restructuring is a double-edged sword in that it is a process of reorganization through competition and efficiency, as well as process of disintegration through fragmentation and marginalization.

A close examination of Korea's attempt at globalization and restructuring reveals that the country is too short-sighted to take into consideration both the benefits and the costs involved. The Kim Young Sam administration and the Kim Dae Jung administration were much alike in that they made use of globalization and restructuring as their political slogans for the sake of political survival. This explains in part why empty rhetoric outweighed specific substance, and why tactical responses overpowered strategic maneuvers. Indeed, there has been no visible paradigm shift, because the crony capitalism they claimed to destroy is still intact.

Even though the Kim Young Sam administration and the Kim Dae Jung administration claimed a historical mission to push globalization and restructuring in leading Korea away from its authoritarian legacy of the past, they exploited the slogan of globalization and restructuring with a logic of reform politics devoid of feasible development blueprints and concrete policy tools. Reforms were taken which were incoherent and ignored the rule of law. Their common mistake is that they failed to recognize how difficult and complicated reform would be – much more than even revolution. They had naïve, though ambitious, dreams to accomplish globalization and restructuring during their respective terms. In short, the policy failures of those two consecutive civilian governments cast dark clouds over the future of democracy in Korea.

Notes

1 In this chapter, when used for the period after liberation, Korea refers to South Korea unless otherwise noted.

2 This paper was originally written before Roh Moo Hyun was elected president in December 2002 and assumed office in February 2003. However, many of my expressions of concern for the state of Korean democracy before his election remain relevant now.

3 Dahl (2000) emphasizes inclusion and contestation as key elements of democracy. To this, I add representation and accountability.

4 Interestingly enough, structural reform was a term used by left-leaning groups in the 1960s who advocated redistribution of income and land, salary reduction, and cuts in public spending for projects which did not directly benefit the market (Petras *et al.* 1997: 93–94).

5 Theoretical and empirical studies abound on structural adjustment programs. Please refer to Kahler 1986, 1990; Nelson 1989, 1990; Williamson 1990, 1994; and Haggard and Kaufman 1992.

6 There was also pressure from the US on Korea to open up the economy. In the early 1990s, Korea had mounting current-account surpluses due to the so-called "three lows" (low dollar to yen, low oil prices and low international interest rates). This stimulated the US to put pressure on Korea to liberalize her trade.

7 Early in the Kim Young Sam regime, government officials wrestled over how to translate *segyehwa* into English. The key policy-makers of the Kim Young Sam regime preferred the Korean word *segyehwa* in its romanized form because it was considered to be a uniquely Korean expression. After having found that there is no such word in English, they first tried to translate it as "worldization" and later as "national development strategy". The fact that *segyehwa* is nothing but a translation of globalization suggests that they did not have a good understanding of what globalization really means.

8 To this, "productive welfare" was added later. It aimed at improving living standards by incorporating the unemployed into the labor market through re-education and retraining.

9 In his *Mass-Participatory Economy*, Kim Dae Jung (1993: 234) claimed that "I am convinced that the policy alternatives that I have presented will transform Korea into another West Germany" and that Korea "will emerge as the eighth economic power of the world by the end of century".

10 For the first few years of Kim's administration, the country's trade conditions continued to worsen as the import unit price skyrocketed while the export unit price fell. For example, the terms of the trade index decreased from 89.2 in October 1997 to 83.9 in October 1998, to 80.6 in October 1999 and then to 72.3 in February 1999. In contrast, it reached 100 in 1995 (Bank of Korea).

11 It should be mentioned that the origin of neoliberal reform dates back to partial efforts of stabilization in the late 1980s and liberalization in the early 1980s.

12 Members of the Korean elite are sending their sons and daughters to North America and Australia for a better education.

13 For a debate on the proletarization thesis in Korea, see Koo's (1990) pioneering study. Proletarization as a general trend of capitalist industrialization is further proceeded by neoliberal pattern of class polarization.

14 The shallow foundations of Korean political parties become clear when we notice how quickly they appear and disappear. In 2006, the president, Roh Moo Hyun, was from the Uri Party – a party that did not exist in 2000. The main opposition is still the GNP, but Kim Dae Jung's NMDP has been replaced by a much smaller Democratic Party. The ULD is no more, having dissolved after its founder, Kim Jong Pil, retired from politics. A new left-wing party, the Democratic Labor Party, now has almost as many seats in the National Assembly as the Democratic Party.

15 That has begun to change slightly in recent years. The ruling Uri Party has adopted a more progressive line than its predecessors, and the DLP is to the left of the Uri Party. The GNP, under the leadership of the daughter of the former conservative president Park Chung Hee, maintains a conservative stance, widening the range of political orientations represented in the National Assembly.

16 This is well evidenced by the low voting rates shown in recent general and local elections. In the general election of 2000, voter turnout was 57.2 percent. Only 19.2 million of the 33.5 million electorate voted in this election. This rate was the lowest in Korean election history up to that time. In interviews, most voters who did not vote said they were fed up with politics (*Korea Herald*, 15 April 2000). Voter apathy has continued to be a problem. Though 60 percent of eligible voters cast ballots in the spring 2004 parliamentary elections, only 51.3 percent voted in the local elections held on 31 May 2006.

17 Representing this trend are the Citizens' Coalition for Economic Justice, the Korea Federation of Environment Movements, and the People's Solidarity for Participatory Politics.

18 Entry barriers to new parties are very high. The current Political Party Act stipulates that a party's registration will be automatically revoked unless it captures a seat in National Assembly or gets 2 percent of the total eligible votes. As a result, new parties face grave difficulties in survival (Kim 1998: 136–137). Parties such as the

Korean People's Democratic Party and the People's Party could not survive, despite the fact that they were created by the leaders of social movement organizations. The Democratic Labor Party, on the other hand, emerged out of social movement organizations in 2004 to win seats in the National Assembly for the first time.

19 "Under capitalism individuals can choose, but the society as a whole cannot." On the contrary democracy is a system in which "choice in the large" precedes "choice in the small" (Przeworski 1991: 111).

20 One might say here that the political will to promote reform was stronger for Kim Young Sam than for Kim Dae Jung, for Kim Young Sam was valiant enough to put Chun Doo Hwan and Roh Tae Woo and their associates on trial on the charges of treason, corruption and murder. Immediately after his inauguration as president, Kim Dae Jung pardoned all of them.

21 A good example is recent resistance against some reform measures by affected interest groups, such as school teachers, entrepreneurs, physicians, pharmacists, journalists and lawyers.

22 Please refer to Evans' seminal work on the case study of Brazilian dependent development (Evans 1976). In Korea, the state's nationalistic logic of capital accumulation had prohibited transnational capital from participating in the process of dependent development. Thus, dependent development has proceeded by class confrontation between local capitalists on the one hand, and workers and farmers on the other.

23 Following Schedler (2001: 151), I add two subtypes of democracy between authoritarianism and advanced democracy. Electoral democracy is a "diminished subtype of democracy" that holds "inclusive, clean, and competitive elections but fails to uphold the political and civil freedoms essential for liberal democracy".

24 The existing literature considers that Korea entered into a democratic transition with the inauguration of the Row Tae Woo regime in 1987. I depart from the mainstream arguments of Western scholarship in that I argue that the Roh Tae Woo regime was a continuation of the quasi-civilianized military rule Park Chung Hee installed and Chun Doo Hwan followed, even though a critical standoff between the authoritarian regime and its democratic opponents at the end of the Chun Doo Hwan regime gave birth to democratic opening and authoritarian breakdown. The Roh Tae Woo regime was basically a variant of military rule.

25 The major reason for three parties' merger was the governing DJP's minority in the parliament. The other remaining opposition party, Kim Dae Jung's Democratic Party (DP), was alienated in this process of merger. After defeat in the 1992 presidential election by his archrival Kim Young Sam, he announced his retirement from politics; however, in 1995 he reversed his earlier announcement and returned to the country's political scene. He renamed his previous DP the NCNP, and this then provided the springboard for his fourth and finally successful bid for presidency in 1997.

26 In September 2001, the governing NMDP and its coalition partner the ULD ended their three-and-half years of cohabitation over a dispute over the "Sunshine Policy" towards North Korea. There were deep gaps between the two parties in terms of ideological stance and policy contents. In particular, Kim Jong Pil, the leader of the ULD, thought he was being betrayed by Kim Dae Jung, who had promised a constitutional amendment creating a parliamentary cabinet system.

27 In March 2004, the National Assembly declared its independence of the executive branch and voted to impeach President Roh. However, Roh's supporters won the parliamentary elections the next month, and in May the Supreme Court invalidated Roh's impeachment.

28 As experienced by Italy, transformism refers to a mechanism in which authoritarian and democratic forces coexist, and the political elites frequently rearrange their membership for immediate political purpose.

29 Regionalism was confirmed in the 2002 presidential election. Roh Moo Hyun, running then as the MDP candidate, dominated the eastern half of the country, while

Lee Hoe Chang, the GNP candidate, dominated the western half. For example, Roh received 95 percent of the votes in the western city of Kwangju, while Lee received 76 percent of the votes in the eastern city of Taegu.

30 He did somewhat better in the 2002 election. With 3.9 percent of the vote, he came in third, behind only Roh Moo Hyun and Lee Hoe Chang.

31 The efficacy of corporatism decreases due to shrinking labor power and enlarged capital mobility in the throes of globalization. As a pioneer theoretician of corporatism, Schmitter (1989: 72) observed long ago that "I have become less and less concerned that corporatism … will survive, much less be as much an imperative for the future of capitalism."

32 Based on the Latin American experience of neoliberal reform, Acuna and Smith (1994: 41–49) add three poitico-economic scenarios to "double democracy." The first is "organic crisis" – unleashing a tug-of war among social classes and groups amid increasing sociopolitical tensions as a result of failed restructuring. The second is "fragmented and exclusionary democracy" – the fragmentation of the social classes and groups and the exclusionary design of social and economic policies in order to achieve neoliberal reform. The third is "inclusionary democracy" – the incorporation of social classes and groups in the process of policy design based on sociopolitical pacts.

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Part III

Politics of faiths, ideology and values

Introductory notes

Donald Baker

As we have already seen in previous chapters in this volume, the impact globalization has on the countries it penetrates is much broader than the mere integration and homogenization of commercial and financial institutions. It even reaches beyond the political institutions and labor markets discussed in the previous section. Globalization, because it changes the internal social and economic environment of a country, changes the values and beliefs the people of that country rely on to navigate through that environment. Not only does globalization interject ideas and ideologies from abroad; under the impact of globalization, indigenous ideas are transformed in order to maintain their relevance in a new situation.

Chang Yun-Shik shows how a South Korea that once was hermetically sealed against leftist ideas has had to accept a much broader range of political opinion in recent years. The rapid growth of the Korean economy over the second half of the twentieth century created a more diverse, better educated and more urban population than Korea had ever had before, so it is only natural that Korea would develop a much wider range of political opinion. The National Security Law, which suppressed leftists for decades, is still on the books, but it has lost its effectiveness, thanks to globalization and advances in communications technology that have exposed Korea's internal affairs to the scrutiny of the more democratic nations. This exposure to the outside world that globalization entails meant that divergent views could not be suppressed without jeopardizing Korea's plans to be welcomed into the ranks of the most advanced nations. Globalization, the lowering of barriers to foreign oversight and influence, therefore deserves some of the credit for this thawing of Korea's ideological atmosphere.

The problem, Chang argues, is that this widening of the ideological spectrum happened so fast that it has created serious fissures in society. For decades, "progressive" political rhetoric was banned. Suddenly, progressives gained control of the government and the ruling party. This was quite a shock to those who had grown accustomed to (and benefited from) the previous restraints on the expression of political opinions. Progressives challenged what had been the one of the main pillars supporting the old ruling structure – the notion that North Korea was a deadly and implacable enemy of the South Korean people. Progressives

also challenged another pillar of the old order – the continuing presence of American military forces on Korean soil. On top of that, progressives began questioning the need for the National Security Law that had made it possible for the conservatives to suppress dissent for decades. They had even gone so far as to suggest that reunification of north and south Korea might require compromises on both sides, rather than insisting, as previous South Korean politicians had, that North Korea should simply be absorbed by South Korea, just as West Germany had absorbed East Germany. For some conservatives, the thought of any concessions to North Korea seemed so outlandish that they believed that only those with a "red" political orientation would suggest them.

To make matters worse, Chang notes, Korea's political parties tend to be more personalist than political. Defined more by loyalty to particular leaders than by shared political principles, Korea's political parties have found it difficult to articulate clear ideological positions, though it has grown increasingly important for them to do so in Korea's changed political atmosphere.

The dramatic changes over the past few years in South Korea's relations with North Korea and in the tone of its domestic political discourse have created a volatile political atmosphere, much of it visible to outsiders thanks to the transparency globalization brings. To make matters worse for those who prefer to present a solid front to the outside world, non-political differences have begun to divide the Korean population as well. Korea was once one of the most, if not *the* most, Confucian nations on Earth. Most of the older generation still adheres to the traditional values often associated with Confucianism. They believe in putting the needs of the family and the community ahead of personal desires, in showing respect for elders and those in positions of authority, and in the traditional division of family obligations by gender. However, the younger generation is quite different. Jonghoe Yang argues that the neoliberal policies globalization has forced on Korea have encouraged individualism over communalism, competition over cooperation, and concern for efficiency over concern for interpersonal relations. The result, he believes, is a Korea worse off than it was before the intensified globalization that began during the 1997 economic crisis.

Because of globalization and the neoliberalism associated with it, Korea's traditional employment system that offered lifetime employment and respected seniority has weakened considerably. Yang points out that the resulting employment insecurity has placed such a strain on Korea's families that the divorce rate has skyrocketed. Moreover, the emphasis on the efficiency and productivity that integration into global markets requires has widened the gap between Korea's rich and poor, creating even more tensions in society. About the only positive effect Yang can see from the infusion by globalization of individualism into what once was a Confucian society is that young husbands are more willing to join their wives in doing chores around the house. He also suspects that the differences in basic values between the older and younger generations will grow so large, and become so threatening to social cohesion, that there will be a backlash that will bring back respect for traditional Confucian values. If the popularity in

recent years of television lectures on Confucianism by Kim Yong-Ok is any indication, that backlash may already have begun.

In my contribution to this volume, I point out another response to the corrosive effect that modernization pushed by globalization can have on traditional values. Not everyone has been pulled away from Korea's Confucian values by globalization. Yang's concerns are relevant for substantial portion of the Korean population, but not the entire population. I examine the largest of Korea's many new religions, and conclude that they represent attempts to preserve Korea's distinctive traditional ethical principles by wrapping them in a protective cloak of modernity.

Some of Korea's new religions, such as the Unification Church, have Christian roots. Others – Wŏn Buddhism, for example – are offspring of Buddhism. Still others – Ch'ŏndo-gyo, Taejong-gyo and Daesoon Jinrihoe among them – are products of Korea's indigenous religious traditions. Despite their many differences, Korea's new religions have at least a couple of things in common. First of all, they are reactions to the stimulus of Christianity. In an effort to appear modern, as modernization has been defined by the global religion of Christianity, they borrowed notions of regular congregational worship, clearly defined doctrines, and a focus on one supreme object of worship from Christianity. This was a radical transformation of traditional Korean religiosity, giving the folk religion in particular a much stronger self-conscious institutional presence than it had ever had before. It also allowed Korean religions to appear as compatible with the modern world created by globalization as Christianity is.

A second common characteristic of Korea's new religions is the Confucian language they use when they talk about ethics. It doesn't matter whether they have Christian, Buddhist or indigenous roots: they all promote respect for parents, emphasize a morality of interpersonal relations, and praise the Confucian virtues of sincerity and propriety. Though Confucius was Chinese, Koreans have espoused his moral teachings for so long that they feel that Confucian morality is Korean morality. Moreover, many agreed with Yang that Korean moral principles had to be protected from being swamped by the tidal wave of Western values globalization brought to the peninsula. Otherwise, they feared, they would lose both their traditional values and their cultural identity.

It has often been noted that globalization not only integrates and homogenizes, it also provokes a counter-reaction. When globalization-fueled homogenization threatens distinctive elements of their local traditions, peoples who rely on those local traditions to proudly distinguish themselves from their neighbors begin to seek ways to protect and preserve them. New religions give their traditional values and belief the protection of modern institutions and thus provide some sanctuary from the storm of globalization, even though those new religions are constructed with imported elements provided by that same globalization.

Whether in politics, in the family or in worship, globalization has influenced what Koreans believe, say and do. Even though globalization has clearly not

erased those elements of Korean culture that give Korea and Koreans a distinctive cultural and ethnic identity, it has changed Korea, in some cases arguably for the better and in other cases arguably for the worse. The three chapters in this part of the book identify, analyze and evaluate three areas in which such changes have occurred.

6 Left and right in South Korean politics

Chang Yun-Shik

Introduction

Since the June 1987 Declaration of democratization by the then president, Roh Tae Woo, South Korea has been embraced by what the American political scientist Samuel Huntington referred to as the third wave (of democracy), and is said to be at a final consolidation stage of democratization. The history of democracy in South Korea is relatively short, but after 40 years of authoritarian rule (1948–1987), during which the economy matured into a fully developed capitalist system, democracy is slowly taking hold. With these two systems firmly established, the globalization of South Korea is in full swing. North Korea, on the other hand, has been on a different trajectory. It grafted the Stalinist-type totalitarian political system onto an independent socialist economy, moving further away from South Korea both structurally and culturally. While the two Koreas have been pursuing different lines of development and remain in a state of truce (or "cold war"), there has always been a concern (and attempts) on both sides to see the two Koreas come together and eventually reunite. The historic summit meeting in 2000 between Kim Dae Jung, the president of the Republic of Korea (South), and Kim Jong Il, the chairman of the Committee of National Defense of the People's Democratic Republic of Korea (North), and what followed, led many South Koreans, at least, to believe that reunification may be possible. Thus, reunification and completion of the democracy project emerged as two binding or competing concerns for South Korea. How are they related to each other?

In addressing this topic, it may be prudent to return to the question which the political scientist Han Sung Joo – reflecting upon the ideological polarization between the left and the right after the fall of the Rhee's First Republic, which effectively contributed to the downfall of the Chang Myon regime (perhaps the most democratic of the first six republics) – raised in his seminal work, *The Failure of Democracy in South Korea*: can the rightist and reformist (and even leftist) political orientations coexist in a South Korean democracy? In essence, Professor Han was posing questions about how pluralistic and tolerant the South Korean democratic system could be. To what extent will the Korean democratic system allow varying or multiple political or ideological perspectives to coexist

and compete against each other? Can political parties be established along different ideological lines and offer alternative policies to voters? If so, how wide will the range of the ideological spectrum be? Will South Korean politicians and voters eventually develop a political system in which it is customary to agree to disagree, and respect and live with those who hold political views opposite to theirs? How will varying groups with different political orientations tolerate each other? Will the majority be willing to allow a minority to express their views? Or is it possible in a South Korean democracy to institutionalize conflict in such a way that disagreement can be resolved peacefully through debate within an institutional framework?

Except for the brief interlude of the Chang Myon regime (1959–1960), the South Korean republic had been an authoritarian state which adopted anti-Communism as the national policy (*kuksi*) and used the Anti-Communism (later, National Security) Law to prevent the spread of socialism and Communism. This stipulated the Communist North as an enemy state and ruled any opinion expressed and action sympathetic (or enemy benefiting) to North Korea as a crime punishable with jail terms. Expression of any idea that smacked of socialism or Communism was prohibited. The first progressive party that emerged during the first republic ceased to exist after its leader was sent to jail and was later sentenced to death for advocating the idea of peaceful reunification of the two Koreas. "Enemy benefiting" was an ill-defined concept, and in the end criticism – explicit as well as implicit – of the government came to be considered an act "benefiting the enemy". The anti-Communism laws did not allow ideological plurality, and directly undermined the freedom of speech and assembly.

Four decades later, we are witnessing the current politics of reconciliation and reunification, reanimated by the above-mentioned Summit Talk, slowly creating a political space for leftist views and orientations, thereby dividing South Korea into the "progressive" (or reformist or left) and the "conservative" (right) sides. The two sides differ sharply from each other in their opinions on the current inter-Korea talks and the reunification issue. It appears that disagreement and conflict between the two sides is escalating, without any indication of reconciliation. In this chapter we will not be directly concerned with the prospect of reunification of the two Koreas, but rather with the implications of the rising ideological cleavage between the "conservative" and "progressive" for South Korean democracy – specifically, the question of the possibility of coexistence of the two political orientations. This question has a direct bearing upon the question of consolidation of democracy, the final stage of the democratization process.

The rise of the left

After he was elected to the executive office in 1998, President Kim Dae Jung vigorously pursued what is known as the "Sunshine Policy" or, officially, the Comprehensive Engagement Policy toward North Korea (Kim Young Jeh 1999; Shin 1999; Chung 2000; Paik 2000; Yang 2000). As the word "sunshine" indic-

ates, President Kim hoped to resolve the inter-Korean conflict through establishing a warm relationship with North Korea and eventually to reunite two Koreas peacefully rather than through military confrontation.

The summit talk galvanized bilateral cooperation and exchange, and inter-Korea contacts expanded into various areas: economic trade and cooperation, sporting events, academic exchanges, performing art and entertainment, visits of religious (Buddhist, Christian, Chŏndokyo and others) leaders to the North, reunions of separated families, and joint meetings of civic and regional leaders and others. Consequently, the two Koreas came closer to one another than ever before. (For more on the South–North exchange after the June Agreement, see Chang 2000.) Inter-Korea communication, contact and exchange no longer appears to be so uncommon; nor should it be considered, as the National Security Law had it in the past, "enemy-benefiting" action. North Korea no longer seems that far away from South Korea.

In this changing political or ideological climate, more progressive political views and attitudes – progressive in that they demand revisions in the established way of political thinking, namely anti-Communism (aimed at the North Korea regime) – regarding reunification and North Korea are now being expressed by various individuals and groups, mostly those who struggled against the authoritarian regime or were known as "democracy fighters" (*minjutusa*) with a strong nationalist orientation directly challenging the ideology (or non-ideology) of "anti-Communism" (anti-North Korea). They claim that with the June 26 2000 Agreement, there is no longer a danger of invasion by the North, the North is not the principal enemy (*chujŏk*) of the South, and reunification is not only possible but also a primary historical task. The National Security Law that prohibits any action deemed "enemy-benefiting" should therefore be abandoned or revised.[1] The supporters of the Sunshine Policy are also critical of the US policy against North Korea, rejecting the American notion that it is a rogue nation (and, later, an axis of evil). More directly, the US troops stationed in South Korea are regarded as a major obstacle to reuniting the two Koreas.

In the wake of this ideological divide, another issue, namely class division or polarization, is emerging and serves as yet another basis for progressive–conservative or left–right division. While the politics of reunification is about whether the "Communist" North Korea is a chief enemy to the Republic of Korea, the politics of class is about the capitalist market economy system which, in the view of the progressives informed by Marxist theories, enriches the business (capitalist) class through their exploitation of the working class. The "democracy" labor union (*minjunojo*), formed in the late 1960s at workplaces in the factory workers' struggle to claim the constitutionally guaranteed labor rights, grew into the nationwide federation of labor unions – the Korean Confederation of Labor Unions (KCLU, officially recognized by the Kim Young Sam government in 1995). Its goal is a fair share of the wealth between labor and management, and participation of labor in corporate management. As it stands, the current capitalist economic system fails to do this, and hence a radical revision of the system more into a socialist direction is needed.

Equally (if not more) important in the politics of class is the founding of numerous NGOs by progressive intellectuals, many of whom are former student activists (more widely known as "movement circle" students), with varying purposes such as the promotion of economic justice, making the political process more transparent, educational reform, protection of the environment, the expulsion of corruption, etc. Protection of the social underclass/poor – other than industrial workers, who now have their own unions – is a significant part of the task addressed by NGOs. They are emerging as powerful and influential civic groups whose voices are attentively listened to by both the government and business enterprises.

The Democratic Labor Party and the two reformist governments

The rise of the progressive force or leftists culminated in the advancement of the Democratic Labor Party (DLP) into the National Assembly. The DLP was born in 2000. It distinguishes itself from other existing political parties as a party representing the social underclass (industrial workers, farmers and urban poor), and consists of 185,000 dues-paying members, the majority of whom are members of the KCLU (see Im Yŏng-Il 2004). In the past, political parties of leftist or socialist political orientation nominally existed and had made appearances on the ballot sheet when the presidential and National Assembly elections took place, but this was the first time candidates with a progressive (of leftist) ideology had ever been elected.

The DLP's basic policy is to build a democratic participatory economy through "progressive structural reform", aimed at replacing the large enterprises or *chaebŏlkiŏp* (conglomerate) run by autocratic owners with democratic participatory enterprises. However, its ultimate goal is to "equalize living conditions for all in various areas including education, medicine, housing, communication and transportation". This goal is to be achieved by "restricting private property as a means of producing profits and socializing the means of production, thereby producing necessary goods and services according to collective needs" and

> to promote the efficiency, stability and public nature [*kongkongsŏng*] of the economy through ownership of the means of production, the proper control and utilization of market elements and the democratic participation in planning production, redistribution and exchange by chief agents [*chuch'e*] including labourers.
>
> (Kim Yun-Chŏl 2003: 65–66)

The DLP's most noted campaign promise was to "raise taxes on the rich and promote welfare for the common people". The DLP urges the social underclass to "have courage to be happy". From this perspective, the DLP has been playing the role of a critique of government policies, and offers alternatives to government policies that tend to bypass the interest of the have-nots on such issues as

unemployment, and the problem of "non-standard" (temporary or part-time) workers.

The birth of a progressive or leftist party inevitably put pressure on the other two major parties – Our Open Party (OOP, Yŏllin Uridang), the ruling party 2004–2007, and the Grand National Party (GNP, Hannaradang), the opposition party – to define their own ideological orientation.[2] The distinction between ruling and opposition parties existed, but no party, even after the end of the authoritarian era, had ever been willing to identify its ideological stance. Most political parties, in fact, had deliberately avoided positioning themselves on the ideological spectrum, if for no other reason than their eagerness to appeal to a wider audience instead of focusing on only a certain segment of the population, and the fear of being labeled as "left" (red) or "right". In spite of (or perhaps because of) the fact that more than half of its national assemblymen identified themselves as "progressive", in a media survey the ruling OOP was hesitant about making its color clear.[3]

It became apparent at a workshop held by the newly elected national assemblymen of the party shortly after the election that party leaders and elderly members on the one hand and the newly elected national assembly members on the other could not agree on the direction of future policies. While the latter emphasized reform, the former argued for a more pragmatic or middle-path approach. In the words of the chairman of the party, "There exists a wide [ideological] spectrum ranging from progressive conservatives to reformist progressive forces in our party, and we are going to integrate all the ideologies inclusively" (*Chosun.com* 2004–04–27). Another ranking member said, "Our party is said to be a hodgepodge. But then political parties in other countries are hodgepodges. The consensus among scholars is that such parties manage the state effectively and pragmatically." Although the newly elected national assembly members were critical of party leaders not taking an ideological stance (*Chosun.com* 2004–04–27), party leaders appear to be concerned with the public image of OOP as being a leftist party.

However, as will be shown later, from the point of view of those who would rather preserve than change the legacy of the authoritarian military government – anti-Communism and (economic) developmentalism – the seizure of power by Kim Dae Jung, the long-time opposition party leader (1998) who had continuously advocated democratic reform in the past, was more a cause for concern (even alarm) than the advancement of the DLP into the National Assembly. A former human rights lawyer from the same party, Roh Moo Hyun, succeeded Kim Dae Jung as the sixteenth president in 2003, extending the reformist regime for another term.

Although the DLP had openly declared its intention of introducing more underclass-oriented policies of a socialist nature when in power, it was in a minority in the National Assembly and its influence confined to legislature. The OOP remained the dominant force, and its leader in charge of administering the nation – and thus the changes promoted by this party more likely to be installed than that those initiated by the DLP.

Roh Moo Hyun and his loyal followers left the Democratic Party shortly after he became president, and formed a new party, the OOP. Roh's followers were old "democracy fighters" and "movement circle" students who had gone their separate ways from those who joined the industrial workers to devote themselves to the labor movement, which led to the formation of the DLP.

Kim Dae Jung and Roh Moo Hyun together ruled Korea for ten years, introducing numerous democratic reform measures into the politico-economic system that had been solidified for the past 40 years under the authoritarian leaders. How, then, did their governments respond to or affect the changing ideological climate, or the politics of reunification and class?

The North Korea Policy

We have already discussed Kim Dae Jung's politics in North Korea, and how this propitiated an ideological divide.

Roh Moo Hyun, in his campaign speeches, promised the voters that he would carry on Kim Dae Jung's Sunshine Policy, and held that inter-Korea peace should be attained through negotiation, not war. Economic cooperation in the form of a South–North FTA was the first step toward this goal. He said:

> The South–North relationship should not remain merely one of the former giving economic aid to the latter. Both sides now should develop the South–North economic relationship into a more productive mutual cooperation so that it will become an investment opportunity for the South and an opportunity for economic recovery for the North. Economic cooperation will be a way of building a foundation for establishing a South–North economic community and eventually a peaceful peninsula.

He also stressed the importance of the integrated economy for the prosperity of South Korea. His reasoning was that

> If our highways and railways get connected directly with China and Russia and our commodities get exported to Europe by train along the Iron Silk Road, the South Korean economic will have another opportunity to make a big leap, the opportunity farm more advantages than those opportunities provided by the Vietnam War and the Middle East Boom.

He emphasized the importance of mutual trust and embracing negotiation with North Korea, and was not always in agreement with the US North Korean policy. He chose to take over the operational control of the joint command of Korean and US troops in war time, amidst angry protests by the conservatives. However, Roh has repeatedly denied that he is anti-American. His government sent South Korean troops to Iraq and Afghanistan and signed the FTA with the US in July 2007 after four years' preparation, in spite of opposition from the progressive camp. He adopted a nationalist line of reasoning for these decisions.

Dispatching the troops to the Middle East, he argued, was an act of repaying a debt to the US incurred during the Korean War. Besides, there is the mutual defense treaty between the two countries. He found signing the FTA with the US advantageous to South Korea, since “in doing so, our export products will secure price superiority (*kakyŏk uwi*) in competition against other countries in the world largest market”. After the signing of the agreement, Roh said:

> The FTA is neither a political nor an ideological issue.... It is the issue of nation’s competitive edge.... I went to the negotiation with the perspective of a big merchant [*kŭn changsakkunui anmogŭl kajiko*] in order to promote our [nation’s] interest through thorough assessment of gains and losses.
> (Roh Moo Hyun, Hanmi FTA takyol daekukmin damhwa).

The transfer of the operational control in wartime was “a step toward establishing our military force as independent army with operational control and keeping firmly the peace of the North East Asian region as a power balancer” (*Chŏngwadae* 2005–03–09). He then issued a statement, “the Declaration of opposition to interference of the US troops in Korea in the event of a North East Asian Conflict”, which came to be known as the Roh Moo Hyun Doctrine, in which he conveyed his view that “the US troops in Korea won’t be involved in North East Asian Conflicts against our will”. As president, he remained more of a nationalist who was eager to promote the nation’s interest and establish autonomy than an ideologue, taking sides with the left or right in the politics of reunification.

Legislative reform

On the National Security Law issue, President Kim Dae Jung, shortly after the summit, expressed his opinion that

> the undemocratic nature of the National Security Law has been pointed out world wide, and it is necessary to revise it in order to enhance the image of our state, lure foreign investment, improve our relationship with the U.S., and prevent abuse of it by radical groups.
> (*Hankook.com*. 2001–01–15)

It was reported then that high-ranking officials of the ruling party were working at revising this law. President Roh Moo Hyun more or less adopted the line of argument developed by Kim Dae Jung. He is quoted as having said while visiting Japan that democracy in South Korea will be complete when Communist activities are permitted (*Digital Chosun* 2003–06–12). He later characterized the National Security Law as “an item that should be sent to a museum”, and added, “We can say we are moving toward a civilized state only when the National Security Law is abolished” (Choson.com 2004–09–09). For President Roh and the OOP, revision of the National Security Law was part of their broader – again, not very successful – scheme of liquidating the legacy of the past –

traditional (Confucian), colonial and authoritarian – and building an advanced nation (*sŏnjin kukka*). Revising the National Security Law was one part of their four major reform measures, which also include the introduction of the Rectifying History Law, the Press Law and the Private Schooling Law.

The Rectifying History Law aimed at rewriting the history of Korea's past, to expose and rectify historical wrongs, focusing on pro-Japanese acts by Koreans during the colonial period and on the illegal behavior of the authoritarian regimes, thereby helping the Korean people to regain national self-confidence. The intention of the Press Law was to prevent the monopolization of the public-opinion market by a few selected newspapers and, indirectly, to end the long-standing government and media collaboration (*chŏng' ŏn yuchak*). With the Private Schooling Law, the government hoped to end the "disorderly management of schools" – privatizing what should be public institutions – by the founders and their relatives. This reform effort was an ambitious attempt to begin a new age of democracy, but only the Private Schooling Law bill received the approval of the conservative legislators and became law.

Egalitarian reform

On the class-inequality issue, Kim Dae Jung (1998–2002) and Roh Moo Hyun (2003–2007) became the first presidents to declare their intention to make their parties and governments friendly to ordinary people (*sŏmin*) or middle- and lower-class people – Kim Dae Jung's government came to be known as the "people's government" (*kukminui chŏngbu*) and Roh Moo Hyun's as the "participatory government" (*ch'amyŏ chŏngbu*). Their economic policies, at least at the beginning, put emphasis on the importance of combining growth and redistribution, or growth through redistribution, instead of focusing on growth (and redistribution later) as the former developmental state had done. In other words, policy attention was specifically paid to the interest and welfare of the underclass – the industrial workers, the unemployed and the urban poor – thereby preventing further alienation of this group from the rest of the society and promoting societal integration.

Their efforts in this regard were focused on improving labor's position against corporate employers and the government through a new labor policy that emphasized harmony and negotiation (instead of authoritarian control of labor), *chaebŏl* reform, and improving the living conditions of the middle and lower class through expanding welfare programs and control of the real-estate speculation of the rich.

Faced with the economic crisis, President Kim Dae Jung appealed to both labor and business representatives of the tripartite committee to agree on the structural adjustment of the national economy urged by the IMF. The Kim Dae Jung government officially approved of the teachers' labor union that had long been engaged in union activities illegally in return for their acceptance of the flexible labor market concept – i.e., granting corporate owners the right to let redundant employees go (see Chapter 3 of this volume).

President Roh Moo Hyun's initial efforts were more directly geared to "rectifying the current imbalance of power between [socially weak] labor and [powerful] capital". His government adopted the policy of mediation in labor disputes, indicating a willingness to listen to industrial workers even if their strike action was illegal, and to help both sides arrive at a peaceful solution. This shift by the Roh government in the traditional approach to labor conflict was clearly perceived by corporate employers as a pro-labor policy. Roh also promised to deal with the "non-standard workers" issue.

Both governments also addressed the class divide between the rich and poor. They made considerable efforts to extend the welfare system to more of the poor and to bring the real-estate speculation by the rich under control. President Kim Dae Jung expanded the four major insurance systems (employment, medical, industrial injuries and national pension) and strengthened the public assistant system for the needy (the poor, the unemployed, the aged without family support, those needing child care, and the disabled). Kim Dae Jung introduced the new notion of welfare as an individual right of the needy, and not charity, in accordance with the principle that leading a decent living, at least at a minimum level, should be considered every citizen's constitutional right. He also made public welfare the responsibility of the government rather than of corporate employers, as had been the case under the authoritarian regime. Under his administration, the Health and Welfare Ministry budget increased from 4.2 percent of the total government budget in 1997 to 7.2 percent in 2002. The Roh Moo Hyun's government (2003–2007) carried on and expanded the Kim Dae Jung government welfare system. Roh proudly claimed success in improving the welfare system in 2007, dismissing criticism by pointing out that the welfare and health budget had increased faster than the total government budget over the previous four years, and accounted for 28 percent of the latter in the same year.

Roh's government also tried to halt the rampant real-estate speculation by the rich, which resulted in high real-estate prices and a housing shortage (inaccessibility) for the middle- and low-income strata. Its basic approach was two-fold: (1) to lower the tax burden on purchasing, registering and reselling houses, and to raise taxes – on property, rent, sales, profits from housing development, etc. – to make real estate transaction more transparent; and (2) to provide inexpensive rental housing through construction of 100,000 housing units and of new cities – a business city, an innovative city and an administrative city – outside of the current capital.

Admirable though their efforts in improving the living conditions of the underclass may have been, their reform attempt was circumvented by their commitment to the principle of market autonomy (more commonly known as neoliberalism) by Kim Dae Jung, and recognition of it as a irreversible world trend by Roh Moo Hyun.

The Kim Dae Jung administration's flexible labor market policy gave corporate employers a freehand to fire redundant employees and to hire new employees on a temporary basis, which resulted in a massive army of unemployed and "non-standard" workers. His initial promise of non-interference in labor disputes

and emphasis on reconciliation in labor–capital negotiation was short-lived, only to be replaced by a renewed emphasis on the role of the government in labor control – with the police force, if necessary – as the government agreed with corporate employers that prolonged large-scale strikes might paralyze the nation's economy, making it unattractive to foreign investors.

President Roh also altered his labor-friendly policy to a more control- (and law-) oriented one when workers appeared to be resorting more to strikes than to negotiation in making their demands. In 2004, a year after his inauguration, Roh warned labor leaders that

> the labour movement that gives priority to the interest of the labourers will only make it difficult for the corporate business world to maintain its competitiveness and will pose a big burden to the development of nation's economy. The Labour movement should become more flexible in order to prod business men's desire to invest. Only then will they create more jobs, thereby improving the welfare of all the workers.
>
> (*Financial News* 2004–03–07).

As for the war against real-estate speculation by the rich, Roh's government in the end conceded failure. The government's plan to resolve the housing shortage problem through construction of apartment complexes and the development of new towns ended up helping the rich to engage in more real-estate speculation (Chang Sang-Hwan 2005: 7).

Although the two reform governments made impressive progress in the area of welfare, their programs suffered from a shortage of funds. In spite of the increase in the welfare and health budget by Roh's government, many needy people are still not covered by the welfare program, and the level of benefits is rather low (see Chapter 9 of this volume). The poverty line is so narrowly defined that the penultimate class above the official poor do not receive public assistance.

Given the choice of socializing or marketizing (or privatizing) welfare programs, the Roh government policy appeared to be more geared to the latter – increasing the payments and decreasing the dividends of welfare programs, allowing hospital to seek profits, and privatizing social service jobs. There was little talk about collecting more taxes directly from the rich to pay for the welfare of the poor. Even the increased portion of the health and welfare budget in 2007 was supposed to come from an increased cigarette tax.

Both presidents' neoliberalist approach to the economy also set a limit to their attempt to reform the large conglomerates known as *chaebŏl*. Neither of them was openly anti-business, even though Roh was able to claim that he was the first president to sever the traditional ties between capital and politics (*chŏngkyŏng yuchak*). But when Roh tried to carry further on with the *chaebŏl* reform plan which Kim had started, the business sector fought back vigorously. In doing so, it appealed directly to the free-market principle. Large corporate owners pointed out that government regulations designed to establish order and

transparency in corporate governance were an example of excessive state interference in corporate affairs, which should be left to market dynamics, and the government attempt to limit an owner's share of his company stock and increase corporate and other related taxes would inevitably discourage corporate owners from investing in Korea and weaken the competitive edge against foreign investors in the domestic market.

It should be remembered that the top 30 corporate firms accounted for 43.4 percent of GDP and 68.0 percent of the total sales in 2001 (Song Wŏn-Kun and Yi Sang-Ho 2005: 73), and that the government no longer holds the kind of power over the corporate owners that Park's government had, as the financial liberalization that started at the beginning of the 1990s substantially reduced government control over development funding resources (Lee *et al*. 2002). Their threatened refusal to invest in Korea and to move their factories overseas is a direct threat to the government plan to boost the nation's economy and to create more jobs. Regardless of their initial intention of becoming friends of the social underclass, the reformist government soon realized it could not carry out its intended reform without corporate cooperation. Roh Moo Hyun had to reassure business leaders – native as well as foreign – that he would do his best to create an environment conducive to profitable business. In the end, he admitted that "power now is in the hand of the market [*imi kwŏllyŏk' ŭn sijangŭro nŏmŏkatta*]". Roh's appeasement of business leaders did not, however, break their image of Roh as a pro-labor president and win their support.

Conservatives retaliate

The rise of the leftist groups and the two reformist governments posed a threat to many individuals and groups who had contributed to, defended and benefited from the authoritarian government that functioned as a developmental state. Elderly politicians, retired government officials, retired military officers, business circles, the three major newspapers and others simply refused to accept what appeared to be "the leftist" [red] or socialist orientation of the government. Christian churches, North Korean escapees (*t'albukcha*) and the growing number of "rightist" youth groups strongly opposed the reformist governments' attempt to dismantle the authoritarian legacy, instead taking pride in what the military government had accomplished and wanting to conserve the national identity (*kuksi*) of South Korea as a separate politico-economic entity (anti-Communist) vis-à-vis North Korea.

The conservative groups are not, however, unified in their opposition to the progressives. While the majority of them focus on defending anti-Communism as the *kuksi* and oppose the abolition or revision of the National Security Law, regarding the reformist governments' reconciliatory NK policy as a threat to the nation's existence, business circles – mainly the *chaebŏls* and neoliberal economists – are critical of the "socialistic" shift they see in the focus on the redistribution of wealth and away from the growth first principle that underlied Park's developmentalism. They are also disturbed by the DLP's declaration of a war

against the *chaebŏls* and wealthy. They do not express any strong opinion on the North Korea issue, as they are already engaged in extensive economic exchanges with the North in accordance with the government's North Korea policy. Neither do they wish the return of a developmental state that controlled and guided the business sector

The anti-Communist conservatives' views on the North Korean regime stand in sharp contrast to those of the progressives. They believe Kim Jong Il had not abandoned his aspiration of unifying the two Koreas under the red flag, that the two Koreas are still in a state of war as evidenced in North Korea's retention of a one million-strong army and the development of nuclear weapons and missile system, that the North's peace initiative is nothing but a Communist plot to incorporate South Korea into their system, that North Korea is still a threat to South Korea and that North Korea is still the principal enemy of South Korea, that the National Security Law should not be abrogated or revised as it is "a precious apparatus protecting the life and human rights of 45 million South Koreans (*Internet Hankyoreh* 2001–02–05), and that the current liberal "democratic political system and market capitalist economy" (the two characteristics that sharply differentiate South Korea from North Korea) should not be abandoned at any cost. "Conservative" groups strongly opposed the withdrawal of the US army from South Korea, insisting that the US is South Korea's ally, having shed its blood in defending the country against the Communist North, and that the continued presence of its troops is a guarantee against a possible nuclear attack from the North.

In response to rising criticism against the capitalist economic system in general, and *chaebŏls* in particular, corporate groups expressed their concerns about the likely demise of the free market system under the Roh regime (which they perceived to be anti-market and anti-corporatist) and are eager to defend it. Their national representative organs, such as the Federation of Korean Industries (Chŏnkuk kyŏngjein yŏnhaphoe), the Korean Employers Association (Han'guk kyŏngyŏngja hyŏphoe), the Korean International Trade Association (Han'guk muyŏk hyŏphoe) and the Korean Chamber of Commerce (Taehan sanggong hoeuiso), have united in defending the capitalist system and market freedom and their role in economic growth. They have recruited a large number of economists into their own research institutes or given financial support to the independent research outfits run by neoliberal economists. They publish pamphlets, articles and books on the superiority of the market to a socialist economy, and carry out campaigns to inform ordinary citizens of the virtues of the market economy by hosting various forms of seminars and financing the establishment of courses on the market economy at colleges and universities. Specifically, in their efforts to persuade the government and the general public, they stress on theoretical grounds that the private property system should be protected rather than socialized, as private property is the foundation for economic freedom and free enterprise; that the government should not overly emphasize redistribution of wealth and welfare in place of growth as this will negatively affect entrepreneurial incentives; and that business enterprises should not be

"excessively" taxed, nor should the government use taxation as a way of "punishing" business, because there is a danger of the government becoming autocratic in doing so.

More specifically, they warn the government against adopting a comprehensive welfare program. Commenting upon President's Kim Dae Jung's "productive welfare policy", the Federation of Korean Industries pointed out that (1) "the plan to create 2 million jobs through the promotion of small- to medium-venture enterprises and knowledge industries is utterly unrealistic for they are dangerous ventures and have little job-generating effects and pose the danger of raising excessive expectations among the people"; and (2) "delineating numerous welfare policies without mentioning any concrete tactics [*chŏllyak*] to finance them again raises the level of people's expectations and will result in creating an additional tax burden." One business leader said, "The core of President Kim Dae Jung's 'productive welfare policy' is to expand the scale of the state welfare program and to assure at the same time the free functioning of the market. But in fact these two concepts cannot go together" (*Han'guk kyŏngje* 2000–01–05).

Corporate leaders have also received strong support from economists (mostly trained in America) affiliated with universities and independent or para-governmental research organizations who have long been advocating that the government-controlled or -led development model should be replaced by the Anglo-Saxon model, which allows for an expanded role of the market and reduced government intervention in economic affairs (Amsden 1992). They are the ones who asked the IMF to include a phrase about labor market flexibility. (Dore 1998: 773).

Chaebŏls also defend themselves against the rising criticisms that they are responsible for the recent economic crisis and class polarization. They claim that the *chaebŏls* are the engine of development, and that their role in achieving the Korea's "economic miracle" should not be underestimated. They also argue that there are no *a priori* reasons why business enterprises should be narrowly specialized; why ownership and management should be separated; why the current "group" structure of *chaebŏls* should be seen as undesirable; why an industrial structure dominated by medium-sized or small enterprises is more desirable than one dominated by large conglomerates; why concentration of economic power in a small number of *chaebŏls* should be criticized; and why the corporate sector should be blamed for the worsening redistribution structure. In other words, they believe that there is nothing wrong with the current economic system, and *chaebŏls* are not responsible for whatever economic problems Korea is experiencing now.

In the wake of the ideological war, the GNP adopted a defensive stance against the reformist and leftist force. The GNP's roots trace back to the Democratic Justice Party, the ruling party during the Chun period (1980–1986). The Democratic Justice Party became the GNP. In that process, the party not only recruited devotees of the two previous presidents, but also merged with Kim Young Sam's Democracy Party consisting of former democracy fighters (including some

former "movement circle" students). But it is fair to characterize the GNP as carrying on the tradition of the ruling party under the military regime. Shortly after the sixteenth national assembly election that awarded ten seats to the DLP, Park Geun-Hye, the party leader (and also the daughter of Park Chung Hee) admitted her party was on the conservative side, saying that "to conserve [*bosu*] is to mend [*bosu*]".

After the DLP had secured seats in the National Assembly, there was a strong feeling among some members of the GUP that the party needed to be rearmed ideologically. "Ideological war," Pak Se-Il, the party's policy committee chair, said, "is important in political struggle. We need to clarify the ideological identity of the GUP and fight against the many wrong ideas and thoughts that impede our nation's development." He specifically mentioned *minjung* [people's] democracy, populism, excessive interference of the state in the economy, priority of distribution over growth, and emphasis on national autonomy at the expense of international alliances – characteristics he clearly attributed to both the OOP and the DLP (*Internet Hankyoreh* 2004–04–29).

As for ideological orientation, Park Se-Il suggested that his party should pursue the line of "reformative conservatism" (*kaehyŏkchŏk bosu*), "middle path conservatism" (*chungdo bosu*) or "21st Century New Conservatism" (*21 seki sin bosu*), with a focus on such core values as liberal democracy, a market economy system, communalism, and pragmatic reformism (*Internet Hankyoreh* 2004–04–29). Park Se-Il later prepared a detailed plan on how the party should proceed along the ideological line he suggested as the chair of the policy-making committee (*Digital Chosun* 2004–04–29).

Despite initial attempts by reformists such as Park Se-Il, the GNP remained a personalist party – one defined by a strong personality leading the party with his or her loyal followers. Park Geun-Hye became the chairwoman of the party on the strength of her being the elder daughter of Park Chung Hee, and "being a saviour of the GNP from extinction by appealing to the voters for help and admitting the party's wrongdoing [implying the corruption scandals surrounding election campaign funds and the attempt to impeach President Roh Moo Hyun]" – while at the same time appealing to regional sentiments and thereby securing more than 100 seats in the national assembly, even though the expectation at the time was that they would be lucky if they got 50 seats. She has been enormously popular among the Kyŏngsang province electorate who used to vote for Park Chung Hee. However, Park Geun-Hye has never articulated the political principle with which she would lead her party.

As the campaign against the "leftist-leaning" government by conservatives heated up, the GNP appears to have decided to adopt the "red-scare" tactic rather than offering countermeasures to government policies based on a conservative ideology. A classified document, "How to Prepare for Parliamentary Inspection of the Administration" (*kukchŏng kamsa taech'aek*) (*Hankyoreh 21* 2004–10–24), prepared by the GUP lists various cases illustrating what they consider to be leftists' policies. Subsequently, a GNP national assemblyman criticized the Minister of Finance and Economy for the current worsening of eco-

nomic conditions, attributing it to the leftist-oriented distribution-first policy of the government. Another GNP national assemblyman supported such criticism by stating that the government was inundated with anti-market sentiment (*Hankyoreh 21* 2004–10–24). Since the main goal of the widening campaign against Roh's regime was said to be "saving the nation from becoming 'red' ", the focus of the conflict between the conservative and the progressive narrowed down to one single issue: "Should the National Security Law be abandoned or not?" In response to President Roh's criticism against this law, Park Geun-Hye declared that she would defend it to the end. "The National Security Law," she said, "is the reason [our] party exists" (*Internet Hankyoreh* 2004–09–07, 2004–04–08). "As long as I am the party chair I will do my best to defend this law, and should the government enforce its abolition I will throw away everything including my current position" (*Internet Hankyoreh* 2004–09–08).

However, its proclaimed intention of saving the nation from becoming red and defending the National Security Law at any cost – almost by default – makes the GNP a defender of liberal democracy and market fundamentalism. In the GNP's view, the Roh government's legislative reform efforts to introduce the abovementioned four laws contravened democratic principles. The Rectifying History Law bill is intended as a way to discredit those who were closely associated with the former military government, and is therefore a one-sided bill targeting the military government and, furthermore, an attempt by leftists to deny the longstanding national identity. Park Geun-Hye therefore demanded that the committee to be formed to investigate past wrongdoings should also extend its attention to pro-Communists and a fair appraisal of the developmental accomplishment of the former governments. The GNP also charged that the Press Law bill, if passed, would allow extensive government interference in media business, thereby restricting the freedom of speech. After the bill was passed, the GNP prepared a revision to this law that would allow newspaper companies to own or invest in broadcasting and TV outfits, dropping the editorial regulations designed to ensure autonomous editing and to prevent media owners from illegal inter-firm trade. The GNP also opposed the Private Schooling Law on the ground that this law interferes with the individuals' rights to manage their property freely, threatens autonomy in school management, and impairs the intended goal of the founder and allows members of the Teachers' Union to dominate school management.

In the politics of class, the GNP turns to the free-market economy principle in opposing what they perceive as pro-labor and underclass policies. Basically, it has adopted neoliberalism. While the Roh government was limited by liberalism in its reform efforts, the GNP relied on it to oppose the government. On the labor issue, the GNP appears to be hesitant about taking a strong view and offers few detailed policy measures. Their official position is that labor–corporate employer conflict should be left to them to resolve. The GNP emphasizes their peaceful coexistence and demanded that the government should try to establish this goal instead of meddling deeply into labor problems. However, it has expresseda fairly strong opinion on "radical labor strikes". Radical labor strikes

affect the economy. When there is a prolonged labor dispute, the economy suffers as much as it flourishes when there is no dispute. The GNP considers the radical union leaders as "public enemies", and insists that the government should strictly apply the law in regulating labor disputes. Regarding other other impending labor issues such as non-standard workers, the party merely says that economic growth is the solution.

If the GNP is ambiguous about its views on labor, its view on *chaebŏl* reform is much clearer. It directly opposes any attempt to raise corporate and related taxes for the perceived fear that it will have the effect of discouraging the corporate owners' incentives to invest, which will in turn negatively affect the international competitiveness of the nation's economy.

The GNP also applies the market principle to the poverty issue. In opposition to the DLP's idea of creating funds by levying a wealth tax on the rich for the welfare of the poor, the conservative party emphasizes the importance of economic growth. It refuses to hold the rich responsible for the poverty of the underclass, and argues that if there is enough growth the nation's wealth will filter down to the bottom, thereby removing poverty. It makes use of recent European experience, claiming that welfarism is nothing more than a popularist vote-getting device to appease the middle and lower classes, as can be seen in Europe. They insist that the welfare state weakens the economy, which is what happened recently in Sweden – and voters there got rid of the socialist government.

The GNP used the same argument in opposing the government's real-estate policy. Yi Myung-bak, the GNP's successful presidential candidate for the 2007 presidential election, said that the government is not supposed to intervene in the housing market to control real-estate speculation by the wealthy. The simple solution, he suggests, is to build more houses.

Conclusion

To return to Han Sung Joo's question regarding the feasibility of pluralistic politics, it may be argued that the ideological divide between the left and right is now well accepted by the latter – although reluctantly – and by the wider public with some misgivings.

The left–right or conservative–progressive dichotomy is used without invoking the National Security Law even though the debate on the moral legitimacy of this law still continues.[4] The *Sindong-A* monthly magazine in 2000 asked 110 social scientists to look at 45 scholars who had actively served as social commentators through mass media, and classify them according to their political orientations on a scale ranging from orthodox conservative on one end to orthodox progressive on the other. In 2003, the *Hankyoreh* newspaper conducted a survey of 410 politicians who intended to run for National Assembly seats in 2004, on their political orientation. *Chosun Ilbo* commissioned two opinion-poll survey organizations to measure the changing trend of political orientation among Korean people. It is customary now for the media to pose questions to

presidential and national assembly candidates on issues that divide them on an ideological line.

The DLP, with a clear socialist orientation and the goal of defending the interests of the working class, is now recognized by the public as a legitimate party. Not long after the DLP became the third party represented in the national assembly, a multinational corporation firm in Seoul sent a delegate to the party headquarters inquiring about its future economic policy. The corporate sector has begun to pay attention to how conservative parties respond to DLP working-class oriented policies. Self-proclaimed conservative and progressive groups now express their intention to vote for parties that share their views, and not to vote for others. A new conservative group called the New Right was born recently, composed of members who do not consider the GNP to be the kind of conservative party they would like to identify themselves with. The old-fashioned political parties that try to please everybody are slowly being phased out. Labor scholars and activists point out that in the last national assembly election, industrial workers, including union members who did not vote for the GNP, voted for the OOP rather than the DLP because they thought the OOP had better chance of becoming a government party in the legislature than did the DLP and that it would represent their interests.

Both the GNP and the OOP are aware of this pressure and are making efforts to respond to it. However, in both parties – more so in the former – members still vary widely on an ideological spectrum. Those OOP national assemblymen men who wanted their party to move further left from the center found "the middle of the road or pragmatic policies" of Roh's five years going against the party's goals, and distanced themselves from the government policy line. In the end, they left the party to form a new party jointly with the Democratic Party. The OOP was ultimately disbanded. In the conservative GNP, there has also been a wide gap between those who adamantly refuse to change the anti-Communist stance on the North Korea or reunification issue and are eager to conserve the legacy of Park Chung Hee's developmental state, and the former movement circle students who want to reform the party into a liberal direction. At the end of the Roh period, the former appears to prevail upon the latter. There apparently is a move within the party to remove the moral liberal element, as is shown by the party's merger with the United Liberal Democrats founded by Kim Chong Pil, composed of former members of Park's Democratic-Republican Party.

"Coloring" political parties means that electorates now have the choice of voting for a party on the grounds of its color. However, it is premature to say that political ideology has become a dominant factor in the election process. The political party's ideological orientation has to compete against other factors that still heavily weigh on voters' minds when they go to the ballot box. Questions voters ask before casting their ballot include: Is this presidential candidate from my own province? Will his party make special efforts to promote the interests and welfare of his province or not? How much has this national assemblyman brought, or how much will he bring, to his own electoral district in the way of specific benefits? Has this candidate been involved in any corruption scandal,

such as amassing illicit wealth or using his office to exempt his sons from military services? Is this president responsible for causing a national disaster, such as the 1997 financial crisis? Regionalism, the personal integrity of candidates and nationalist concerns still play important roles in elections.

The politics of ideology is also caught between welfarism and neoliberalism. This is a dilemma that any party seizing power has to face, the dilemma which Western industrial societies have long been dealing with and which was responsible for bringing the age of ideology to an end and then reviving it again recently. As shown above, the ruling OOP and the conservative GNP both accept neoliberalism or the free market economy principle as an irreversible world trend. There has been increasing pressure to do that from within as well as without. Many American-trained economists have long argued that it would be to Korea's advantage to release the nation's economy from state intervention and leave it to the market mechanism. On the other hand, foreign countries, especially the US, have been putting pressure on the Korean government to open the domestic market to its products. Commitment to this principle places limits on the former's reform policy, while the latter uses it to criticize it. The DLP's opposition is not likely to stop the government from signing more FTAs. Whatever reform attempts the government – even if the DLP seizes the power – makes in the future may not be carried out.

Will the neoliberal economy, then, do away with welfarism in Korea? The problem of the needy cannot be left to the market. As President Roh once said, let the market do what it does best, but the rest has to be taken care of by the government. This, it seems, is accepted wisdom. Even those presidential candidates from the conservative party appear to have no clear answer to the question of the "non-standard" workers, the unemployed, the poor and the disabled. The moot question is, can the conservatives solve the welfare problem without collecting more taxes from the rich? At the least, the problem of the needy will not be left to the government's good will only; the social underclass now has a powerful defender in the NGOs. The age of ideology has clearly begun in South Korea, but the two global tides threaten to end it.

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Notes

1 Shortly after the summit, President Kim Dae Jung expressed his opinion that the National Security Law should be revised – since it had been widely criticized worldwide as an undemocratic law – so as to ameliorate the image of the Korean state, to lure foreign capital investment, to improve relations with the US, and to prevent the abuse of it by radical groups.

The progressives criticize this law as an anti-humanistic, anti-democratic, anti-human rights law that represses the freedom of ideas and conscience, which has been

maintained primarily as a means to sustain authoritarian regimes and which therefore, should be eliminated.

2 The remaining two parties, the conservative Chaminryŏn (The United Liberal Democrats) and the slightly left of the center Minjudang (The Democratic Party), did not actively participate in ideological politics during the Roh period.

3 One member even went so far as to say "Our party is a popular [*taejung*] party based on the middle stratum and common people" (*Dong-A.com* 2004–04–28).

4 It cannot be denied that many Koreans, especially public figures, are still hesitant about calling themselves conservative or progressive, or somewhat afraid of being so labeled. "In the old days," remarks Pak Wan-so, a noted writer, "I did not say anything for the fear that they might call me a red [*bbalgaengi*]; these days I do not say anything because I do not wish to be considered as conservative."

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7 Globalization and value change in Korea

With a special emphasis on the impact of the recent economic crisis and neoliberal reform on the Confucian value system[1]

Jonghoe Yang

Introduction

The economic growth and modernization Korea has undergone over the past 50 years has produced dramatic changes in many aspects of Korean society and its people's lives. As Korea has changed from an agrarian subsistence economy to a capitalist market economy, from absolute kingship to a modern representative democracy, and from a patriarchal extended family to an egalitarian nuclear family, traditional institutions have been superseded by modern versions. For example, the traditional status system that divided population into four broad hereditary groups was abolished long ago, in favor of a modern democratic social system that guarantees equality, freedom and basic human rights.

Nevertheless, some traditional elements remain in major social institutions and everyday life. Especially in the area of norms and values, traditional Confucian values and practices are prevalent not only in the family and kinship relations, but also in business organizations and practices. For this reason, Korea is regarded one of the most Confucian countries today – even more so than China or Japan (Koh 1996: 191). Thus, there have been some attempts to relate Korea's economic development to its Confucian values, in line with Weber's famous thesis of "Protestant ethic and the spirit of capitalism". The recent debate on "Asian values" attests to the enduring influence of Asian or, more precisely, Confucian values in some of the economically successful Asian countries, of which Korea is a prime example. This is not to claim that the Confucian value system that was dominant during the Chosŏn Dynasty (1392–1910) has remained intact in modern Korea; the system has been very much eroded by the introduction of modern institutions and Western values. Still, some traditional values have survived, and exerted significant impact on the process of Korea's modern transformation. In a sense, modern institutions and traditional values not only coexist but also adjust themselves to each other, producing a unique institutional arrangement and cultural setting.

However, the economic crisis in 1997 and subsequent neoliberal reforms have changed the situation dramatically. The so-called IMF conditionality has driven the whole country into an American-style, neoliberal capitalist system that emphasizes the market instead of community, competitiveness instead of cooperation, efficiency instead of harmony, and individualism instead of collectivism. Naturally, there has been resistance to this new system, especially by older generations, who are guardians of traditional values, and by those who have been hit hard by the new reform, producing some significant conflicts among segments of the population.

The purpose of this chapter is to examine the globalization process in a Korean context, focusing on changes it stimulated in major social institutions and cultural values, especially the impact of the recent economic crisis and subsequent neoliberal reform on traditional Confucian values.

Globalization and value change: a theoretical argument

Globalization is a multifaceted concept, and different users put differential emphasis on various aspects of globalization.[2] However, two main categories can be singled out to characterize the process of globalization: interconnections, and compression of time and space (Mittelman 2000: 5). Interconnection or interdependence denotes cross-boundary "dissemination of practices, values, technology and other human products throughout the globe" (Albrow 1996: 88), or "cross-border flows of goods, services, money, people, information, and culture" (Guillen 2001: 236). The concept also refers to "both the compression of the world and the intensification of consciousness of the world as a whole" (Robertson 1992: 8), or to the "annihilation of space through time" (Harvey 1990: 299), or to the "time–space distanciation" (Giddens 1990: 64).

It should be emphasized that globalization is a process, not an end state. Moreover, some scholars are cautious to note that it is "a fragmented, incomplete, discontinuous, contingent, and in many ways contradictory and puzzling process" (Guillen 2001: 238). It is also possible that globalization proceeds "at different tempos, with distinctive geographies, in different domains" (Held and McGrew 2000: 6). Others stress its possible disruptive effects, including the creation of new animosities and conflicts by dividing the world's population into those who benefit from the process and those excluded from its benefits (Held and McGrew 2000: 4). This shows that globalization is far from an evenhanded process, and may be deliberately propelled by some political or economic powers expecting to benefit from it. Indeed, a perceptive observer notes that a chief driving force of globalization is "a new interest in global competition, evident in corporations' responses to the changing equation of opportunity and loss" (Mittelman 2000: 16).

Though globalization is regarded by many as a product of multiple forces, including "economic, political and technological imperatives" (Held and McGrew 2000: 7) or "a confluence between consumption-led capitalism and political participation" (Albrow 1996: 143), it is often pointed out that a

changing condition of capitalism has been a major driving force of recent globalization. For instance, James H. Mittelman (2000) traces the origin of the present phase of globalization[3] to the deep recession experienced by Western countries in the 1970s. It was a turning point in the history of capitalism when this recession was met by new strategies for restructuring production from the Fordist to a post-Fordist system emphasizing more flexible, capital- and technology-intensive operation. The intensification of these strategies, facilitated by state policies and technological advances, resulted in the weakening of trade union power, reduction in social expenditures, deregulation, privatization and, above all, an emphasis on enhancing competitiveness.

In fact, according to Mittelman, trust in free-market competition has been elevated to an ideology claiming that the market should be free from political and social control. Now, many governments and international organizations, such as the IMF, the World Bank and the WTO, have adopted various versions of neoliberal ideology and put into action the policies of deregulation, privatization and liberalization. These aggressive neoliberal policy measures, together with great advances in information technology and increasing specialization of the market, have bred winner-takes-all markets, with a possible consequence of class conflict due to the widening gap between the few rich and the poor majority (Mittelman 2000: 17).

Indeed, Mittelman is not alone in equating the logic of globalization with neoliberal ideology and free-market capitalism. Marin Albrow suggests that capitalism is a major factor behind opposition to state control of the free flow of goods and services across borders and boundaries (Albrow 1996: 142–143). Mauro F. Guillen also notes that globalization is an ideology often “associated with neoliberalism and with technocratic solutions to economic development and reform” (Guillen 2001: 236). Ramesh Mishra is probably most vocal in this line of argument by insisting that globalization is not only the transnational ideology of neoliberalism, but also a process to extend and consolidate the hegemony of Anglo-Saxon capitalism world-wide (Mishra 1999: 7–8).

To the extent that globalization is not only a market- and technology-driven phenomenon but also a political and ideological one, it brings about various consequences and effects, and draws diverse responses. Held and McGrew identify major consequences of globalization in political, economic, social and cultural domains, including the erosion of state sovereignty and autonomy, the emergence of global popular culture, the erosion of fixed political identities, hybridization, global information capitalism, a new global division of labor, growing inequality within and across societies, and the erosion of hierarchies (Held and McGrew 2000: 37, Table 7.1).

Globalization may also be analyzed in terms of its positive and negative effects. Among its benefits are advances in technology, gains in productivity, and the spread of information and knowledge. However, its costs are suppression or repression of distinctive cultural elements, reduction of political and economic control, and increasing class polarization (Mittelman 2000: 230). Mittelman, following Karl Polanyi, especially emphasizes the cultural con-

Table 7.1 Employment status, income distribution and divorce rate, 1990–2001

	1990	*1995*	*1996*	*1997*	*1998*	*1999*	*2000*	*2001*
Employment status								
Regular workers (%)	32.8	36.3	35.5	33.9	32.3	29.3	29.7	30.4
Temporary and daily (%)	27.7	26.2	27.3	28.8	28.8	32.5	32.7	32.0
Unemployment rate (%)	2.4	2.0	2.0	2.6	6.8	6.3	4.1	3.7
Income distribution								
(% of total income accruing to quintuplet (%))								
I (lowest 20%)	8.4	8.5	8.2	8.3	7.4	7.3	7.5	
II	13.2	13.5	13.3	13.6	12.8	12.6	12.7	
III	17.2	17.5	17.5	17.7	17.1	16.9	17.0	
IV	22.5	23.0	23.1	23.2	22.9	22.9	22.7	
V (highest 20%)	38.8	37.5	37.9	37.2	39.8	40.2	40.1	
Ratio of V/I	4.64	4.41	4.62	4.49	5.41	5.49	5.32	5.36
GINI index	0.295	0.284	0.283	0.316	0.320	0.31	0.319	
Divorce rate	1.1	1.5	1.7	2.0	2.6	2.5	2.5	2.8

Source: National Statistical Office (various years).

sequences of neoliberal globalization, by stating that "globalization is a product of changes in market relations, and its effects are decidedly manifest in terms of cultural integration and disintegration as well as environmental degradation" (Mittelman 2000: 228).

There seem to be two opposing views on the cultural consequence of globalization: one stresses homogenization or hybridization of culture – in other words, the rising of global culture – while the other suggests multiplication and diversification (Albrow 1996: 149). Albrow appraises multiplication and diversification as better expressions of the dominant forms of cultural relations under globalized conditions, because new forms may result from cultural contacts and traditional forms may be better sustained than before through easier contact with exponents (Albrow 1996: 149). Others argue that increasing exposure to the values of other cultures and the greater flow of ideas and cultures through accelerating diffusion of television, the Internet, satellite and digital technologies tends to breed hybrid cultures (Held and McGrew 2000: 17–18). In addition, neoliberal ideology as a major driving force in the present stage of globalization promotes its own culture or set of values, such as efficiency, materialism, individualism and instrumental rationality. Thus, when we consider the consequences of globalization on the values of a country, especially in a third-world country, we should examine the interplay between the values associated with the neoliberal ideology and the indigenous values.

Globalization and South Korean economic development

After liberation from Japanese colonial rule in 1945, Korea was occupied and ruled by American troops for three years. This was the first encounter between

the Korean people and Western culture on a massive scale. Since then Korea has become an active participant in various stages of globalization, which has exerted great influence on subsequent development. Indeed, the remarkable economic development that Korea has achieved since the early 1960s, when the first economic development plan was launched, can be attributed at least in part to taking advantage of globalization.

Korea's economic achievements over the past three decades have been explained by various theoretical approaches. One is the neoclassical economic theory that explains economic growth with the theory of comparative advantage. The export-oriented development strategy of Korea is deemed largely responsible for its remarkable economic growth, because it has comparative advantages in the factors for an export economy.

Contrary to this free market economic theory, the political economy approach emphasizes the role of the state in economic development. At the core of this theory lies the assertion that the market in less-developed countries cannot develop spontaneously, as the classical theorists might assume, but requires the active and efficient intervention of the state.

There is a third theory that provides a cultural interpretation, especially in terms of Confucian values, of the primary impetus for capitalist development. Students of East Asian development cite various contributing factors for Korea's economic development: Confucian values such as collectivism (McFarquhar 1980; Tai 1989), collectivism and harmony (Tai 1989), group loyalty, reverence for family, community awareness, and harmonious human relations. Also noted are frugality, modesty, cooperation and unity; enthusiasm toward education (Lee 2000); a paternalistic state; a communitarian outlook and communalistic practices; an emphasis on social order, harmony and discipline (Han 1999: 4), and this-world orientation; flexibility; familism; a work ethic; communitarianism; collectivism; and hierarchical authoritarianism (Kuk Min-Ho 1999: 225–226). These approaches not only provide an alternative explanation to those mentioned above, but also indicate that many Confucian values still survive in Korean society despite its long history of erosion.

The way these values are said to operate in the course of economic development varies. Some regard them as independent variables, others as mediating variables. A third version argues that some values have positive effects while others exert negative effects. Still others hold that Confucian values may be effective in certain stages of development, but not necessarily in other stages. A stronger version of the Confucian value thesis appeared recently, a theory of Confucian capitalism (Yu Sok-Ch'un 1997). Proponents of this thesis claim the emergence of a unique capitalistic economic system in contrast to the Western system, arguing that traditional Confucian values have been effectively fused with modern capitalism to produce a more efficient system and greater output. The plausibility of these arguments notwithstanding, it is an indication of a possible accommodation between traditional cultural values and modern institutions.

The economic crisis of 1997 begs reassessment of these approaches. In explaining this crisis, variables and factors once deemed to contribute to eco-

nomic growth (such as collectivism, familism and an authoritarian state) are now blamed for the economic downturn. The policy measures to mitigate the crisis seem to be designed to deny the effectiveness of the above theories and factors in economic development. We will briefly examine this crisis and subsequent policy measures following the IMF conditionality.

The economic crisis and neoliberal economic reform

Korea began its march to economic modernization under a state-led, *chaebŏl*-centered, labor-exclusive and export-oriented development strategy driven by authoritarian regimes. That strategy was challenged in the late 1980s by democratization movements. Facing the tension between democracy and market economy, the Kim Young Sam regime (1993–1997), the first truly civilian government, took neoliberalism as its basic ideology, and pushed globalization of the Korean economy further by joining the WTO in 1995 and the OECD in the following year. The new government proposed various economic reform policies, including a flexible labor market, restraint of monopolistic *chaebŏls*, domestic financial reform, and the opening up of financial and capital markets. On the whole, the Kim Young Sam government's neoliberal economic policies made the Korean economy more vulnerable to foreign influence (Kim Sŏk-Jun 1999: 178–196).

In its last year, in 1997, the Kim Young Sam government was suddenly confronted by an external financial crisis triggered by a lack of liquidity that resulted from shrinking foreign exchange reserves. There have been heated debates on the major causes of this sudden crisis, but two themes are prominent: the instability of international financial markets due primarily to the external currency crisis in Southeast Asia, and the inherent structural problems of the Korean economy in general. These structural problems were in large part attributed to the outward-looking strategy that made the country so heavily dependent on foreign resources, and thus vulnerable to fluctuations of the international markets. In addition to these structural problems, there were others: moral hazard among business corporations, cronyism in business transactions, and lack of the rule of law (Im Hi-Sŏp 1999: 6–8).

These problems resulted in what became known as the 1997 economic crisis. The Kim Young Sam government, though at first reluctant to do so, eventually recognized the grave situation and asked the IMF for a bailout. It is customary that conditionality is attached to IMF loans in order to make sure that the IMF can restrain its borrowers. IMF conditionality is a series of policy recommendations in the form of policy limitations and performance targets, in line with the "Washington consensus"[4] that heralded neoliberal market-friendly economic policies. IMF programs include fiscal and monetary austerity, financial market reorganization, corporate restructuring and improvement of corporate governance structure, liberalization of trade and capita markets, labor market flexibility, and enhancement of corporate transparency (Hong Hun 1998: 348–351).

The Kim Dae Jung government that succeeded the Kim Young Sam

government in early 1998 had no choice but to follow the IMF-mandated economic reform policy. Despite the new president's longstanding ideology of a democratic market economy (a sort of concoction of neoliberalism and neo-corporatism), his government's economic policies were increasingly inclined toward the neoliberal market economy that emphasizes liberalization, deregulation and privatization, and were indifferent to such core democratic values as equality and a social safety net. The government's efforts to resolve the crisis centered on overcoming the liquidity crisis first, then on corporate restructuring, structural reform, and the rapid and complete opening of domestic markets (Kim Kyun and Pak Sun-Sŭng 1998).

The Kim Dae Jung government's reform policy was aimed mainly at increasing corporate productivity and international competitiveness, rather than equalizing distribution of the fruits of economic growth and national autonomy by such policies as liberalization of markets, corporate restructuring and globalization of the national economy. This line of policy may have been necessary, given the IMF conditionality and the mandate to overcome the economic crisis, but Korea risks falling into a new form of dependency under the sway of international capital, and the class structure may be badly polarized with the middle strata shrinking (Yang 2000). Experiences of other countries indicate that neoliberal policy could engender such unfavorable consequences as rising unemployment, regressive income distribution and deep poverty, in addition to macro-economic consequences of low growth rates, unbalanced price structure and financial instability (Taylor 1997: 150).

Government efforts to overcome the economic crisis were successful to a certain extent, but they also produced profound changes not only in economic institutions and practices, but also in social organizations and values. Korean society had never before fallen so thoroughly under the sway of the liberal economic logic represented by such values as efficiency, free competition, material wealth, globalization and survival of the fittest. We are now witnessing the swift demise of the traditional system supported by Confucian values in Korea. The next section will examine some of these systemic changes, concentrating on their consequences for Korean society and its values.

Consequences of the economic reform and value changes

Korean society is now undergoing sweeping changes under the neoliberal ideology. The effect of globalization has been direct and painful, because it threatens stability and tradition, and breeds social conflict among various segments of the population.

Among the many consequences of the economic crisis and of the IMF-led neoliberal reform, we will examine three areas: industry, the family, and class structure. Then, we will consider changes in values and value conflicts between different segments of the population. The Korean employment system is distinct in many ways. The two pillars[5] of this system, lifetime employment and the seniority system (which apparently reflect Confucian values such as collectivism

and hierarchical authority), are largely foreign to the Western system. In the seniority system, wages and salaries are paid, and promotion given, according to age, length of service and educational level. In medium-sized to large firms, recruitment is at the earliest point in the recruit's career – on leaving school or college. Once recruited, an employee is expected to stay for life. Promotions and pay raises are almost automatic as a person's career progresses. Thus, this system ensures great employment stability.

Now, this system is changing rapidly. The Kim Dae Jung government's neoliberal, market-oriented reform under IMF supervision was geared foremost to economic efficiency. Major components of this reform consisted of corporate restructuring through such measures as M&A, downsizing, plant closures, enhancement of labor market flexibility through layoffs, and adoption of temporary workers and wage cuts (Kim Kyun and Pak Sun-Sŭng 1998). These policy measures resulted in massive unemployment and employment instability. The unemployment rate was around 2 percent – almost perfect employment – before the crisis, but increased to 6.8 percent in 1998. It fell somewhat to 4.1 percent in 2000 and 3.7 percent in 2001, which are still much higher rates than those before the crisis (Table 7.1). Employment status also changed. The proportion of "regular" employees in the total of employed persons decreased sharply after 1997, from 35.5 percent to 29.3 percent in 1999 and 30.4 percent in 2001. On the other hand, the proportion of temporary and daily workers increased from 27.3 percent in 1996 to 32.5 percent in 1999 and 32 percent in 2001. This trend in employment clearly indicates rapidly deteriorating employment stability.

In addition, new pay schemes based on merit or on performance were introduced and increasing numbers of firms have adopted them. The government provides tax incentives to those that adopt the merit system. Many incentive schemes, including the stock option system, were introduced in order to enhance efficiency and competitiveness. According to the Department of Labor statistics, the percentage of firms adopting this new pay scheme increased from mere 3.6 percent in 1997 to 15.1 percent in 1999 and 32.3 percent in January 2002 (*Joongang Ilbo* 2002–04–08). The traditional recruitment system is disintegrating, too. *Chaebŏls* have increasingly adopted flexible recruitment schemes, whereby they recruit new workers at any time and at any level of skills and qualifications, according to labor demand. Thus, the traditional employment system characterized by lifetime employment and seniority has recently been shaken badly and replaced by a new flexible but unstable system. Along with this new system, efficiency and competition instead of cooperation and harmony have increasingly become the norm in the business world.

The economic crisis and subsequent neoliberal reform seem to have brought about changes in family roles, attitudes toward family, and relationships among family members (Im In-Suk 1998). One study found that unemployed husbands lose their power and authority vis-à-vis their wives and children. These deprived husbands take the role traditionally reserved for housewives, and children have less respect for their fathers who are now deprived of economic and social power (Chang Hye-Kyŏng 1999). A recent drastic increase in divorce rates,

especially among young couples, also indicates that the meaning of family and marriage is changing. The divorce rate was less than 2.0 per 1,000 persons, but increased to 2.5 in 1999, and to 2.8 in 2001 (Table 7.1) – the third highest rate among OECD countries, behind only the United States (4.2) and Great Britain (2.9).

Marriage is now no longer a necessity but an option for many young Koreans. According to a survey conducted in 2001, 23.7 percent of the sample of 1,200 Korean adults responded that marriage is optional for them, while 27.7 percent said that people should marry. The remaining 48.6 percent were positive about marriage, but had the opinion that marriage is not necessarily a must. Their attitudes towards divorce are more revealing, indicating the rapid demise of the traditional family. Of the same sample, 65 percent said that divorce is possible, in contrast to 34.9 percent who believed that divorce is unthinkable. There was a big generation gap in their opinion on divorce. Among those in their twenties, 81.8 percent were tolerant of divorce, compared to only 59.2 percent of those aged 50 and over (*Joongang Ilbo* 2001–09–21). Another study reveals that male adolescents are more willing than older generations to share house chores with their wives, and to live independently of their children when they become parents-in-law (Kim Myŏng-Sin *et al*. 2000: 193). This trend is clearly against the Confucian ideals, and reflects increasingly prevalent individualism and egalitarianism, especially among young Koreans.

The economic crisis also changed the relatively equal income distribution. Increasing unemployment rates and employment instability are not equally distributed among the population. The lower classes are more likely to lose their jobs, and hence earn less income than upper classes. Studies show that the working class is most vulnerable to unemployment (Sin Kwang-Yŏng and Yi Sŏng-Kyun 1999). Since there are not enough social safety nets, the lower strata suffer most from the economic crisis. In fact, income inequality has worsened, as evidenced by the increase in the GINI index. The inequality index was less than 0.3 until the economic crisis but increased above 0.3 afterwards, from 0.283 in 1997 to 0.320 in 1999 and 0.319 in 2001. There also appears to be a widening gap between the higher-income group and the lower one, indicating the polarization of income groups with a shrinking middle class. The proportion of total income accruing to the lowest 20 percent of the population was above 8.0 percent before the economic crisis but reduced to less than this after the crisis, while total income for the top 20 percent increased from 37.2 percent in 1997 to 39.8 percent in 1998 and 40.1 in 2000. The ratio of the proportion of total income accruing to the top 20 percent to that for the lowest 20 percent was 4.49 in 1997, but increased to more than 5.0 after that (Table 7.1). A study by the Korea Development Institute (KDI) also supports this trend of income concentration by reporting that among urban employees only the top 10 percent in the income ladder earned more income in 2000 than that in 1997, while the remaining 90 percent earned less during the same period (Yu Kyŏng-Jun and Kim Hyŏn-Kyŏng 2001).

Since the poor have become poorer due to the economic crisis and sub-

sequent neo-liberal reform, it is likely that they will tend to be hostile to reform and its accompanying values, such as competitiveness, individualism and instrumental rationality. Previous studies support this argument. For example, Lim Hy-Sop found in his survey of a student sample that the higher the socio-economic status of their parents, the more likely students were to subscribe to modern values in the dichotomies of authoritarianism–egalitarianism, humanitarianism–materialism and collectivism–individualism (Im Hi-Sŏp 1994). A recent survey also indicates that those with higher socio-economic status, measured by education, income and occupation, tend to be more progressive in their opinions on various social issues than those with lower socio-economic status (*Joongang Ilbo* 2002–04–02).

Generational gaps also appear in the rates for accepting or rejecting certain values. Because primary socialization usually occurs in the early years of one's life, and subsequent experience is influenced by the experience acquired during primary socialization, generation is an important indicator of one's values. If a society is stable and changes very slowly, a new generation will undergo similar socialization to the older generation and inherit similar cultural values from the latter without much change. In this situation, there is no appreciable generation gap in terms of shared values and norms. However, in a rapidly changing society it is likely that different generations will have different values and value dispositions. Since Korea has recently been changing very rapidly, we may expect significant generation gaps in terms of values.

A recent survey conducted by the Asian-Pacific Office of UNICEF on a sample of 10,073 adolescents aged between 9 and 17 years in 17 Asia-Pacific countries shows that the younger generations of Koreans are most reluctant in accepting Confucian values. According to the survey, only 13 percent of the Korean sample respected adults very much, another 67 percent did so to a certain degree, and 20 percent did not respect adults at all, as compared to the averages of 72, 26 and 2 percent respectively for the whole sample. Korea was also the lowest among the 17 Asian-Pacific countries in terms of the percentages that expressed their respect for adults. Similarly, Korean youngsters had the least respect for persons of authority. Only 5 percent of the Korean sample respected them very much while 52 percent did not respect them at all, in contrast to the averages of 53 and 3 percent respectively for these 17 countries as a whole (*Joongang Ilbo* 2001–10–11). This result indicates that most of Korea's younger generations do not adhere to Confucian values. They are more likely to adjust themselves to the new environment created by the neoliberal market force.

Indeed, there is ample evidence to support this generation gap in terms of value orientation. Previous studies show a consistent generation gap in such values as materialism-post-materialism (Inglehart 1997), and individualism and authoritarianism, with the younger generations being more post-materialistic, more individualistic and less authoritarian than the older generations (Pak Jae-Hŭng 1995, 1999; Chŏng Chŏl-Hi 1997; Na Un-Yŏng and Min Kyŏng-Hwan 1998). A more recent survey, conducted in 1999, revealed that the older

generation is more tradition-oriented, while the younger generation tends to be more progressive, though overall value orientation of both generations is more progressive than conservative. Generations also differ in terms of their perception of generation gap and generational conflict. Respondents in their twenties and thirties perceived more generational conflict than those in their thirties and forties (Kim Myŏng-Un *et al*. 2000). Another national survey in early 2002 showed that there is a clear gap between generations in terms of the conservative–progressive value orientation. Respondents in their twenties scored 4.1 on average on the progressive–conservative value scale (0 being the most progressive and 10 the most conservative), while the average score for those in their forties was 4.4, and that for the sample aged over 50 was 5.1; this indicates a clear tendency towards being more conservative as age progresses (*Joongang Ilbo* 2002–02–04).

Thus, the economic crisis and subsequent neoliberal reform have not only created a social environment in which Confucian legacies are less viable; they have also generated value conflicts between the upper and lower classes, and between younger and older generations. Since younger generations adapt more easily to this rapidly changing information age, there seems to be no room for older generations who were socialized in the pre-information world, with a low level of contact with foreign countries, or for Confucian values. To the extent that neoliberalism has penetrated into every corner of Korean society, we face the dangers that such classical social scientists as Weber, Durkheim and Marx warned of as possible outcomes of increased modernity. If globalization can be conceived as an extension of modernization, then traditional ideas may need to be invoked to remedy its possible shortcomings.

Conclusion

Globalization as a hegemonic ideology propagates neoliberalism to the whole world through international organizations. Such neoliberal policies of deregulation, liberalization and privatization ensure free competitive markets, where the winner-takes-all principle prevails. World superpowers have much to gain in this process of neoliberal globalization, and have agreed on the so-called “Washington consensus”, which has become the basic guideline for neoliberal policy measures adopted by the IMF, the World Bank and other international organizations.

Neoliberalism promotes such values as competitiveness, individualism, materialism, efficiency and instrumental rationality. These are in sharp contrast to the Confucian values that have survived various historical changes, including colonization, military rule and modernization efforts in Korea. Confucian values had accommodated themselves to modern institutions, producing a culture that appeared both Confucian and modern, but neoliberal reform following the economic crisis in 1997 began to remove traditional Confucian values from major institutions and everyday life.

There has been some resistance to this neoliberal ideology penetrating every

corner of Korean society. In the process of neoliberal globalization, conflicts have occurred between the upper and lower classes and between the younger and the older generations in terms of value orientation. It seems that the younger generations and their neoliberal values are winning these conflicts presently.

Globalization has different meanings for different countries and regions. Korea has been affected more directly by the globalization process through the severe economic crisis and subsequent neoliberal reform. Now there are worries about a possible backlash, since neoliberalism lacks the philosophical dimension compatible with Korean tradition. It remains to be seen whether Confucian ideals or other Chinese classical beliefs and values which have become popular in recent years (as evidenced by the proliferation of television lecture series on Chinese classics such as Taoism and Confucianism) can once again provide moral and philosophical foundations as alternatives or complements to neoliberal ideology.

Notes

1 This is a slightly different version of the chapter that appeared in 2003 in the *Korean Social Science Journal*, 30(2): 1–23.
2 According to David Held and Anthony McGrew, globalization has been defined as variously as "action at a distance", "time–space compression" "accelerating interdependence", "a shrinking world", "global integration", "the reordering of interregional power relations", "consciousness of the global condition", and "the intensification of interregional interconnectedness" (Held and McGrew 2000: 3).
3 James H. Mittelman distinguishes three phases of globalization: the incipient globalization before the sixteenth century; the bridging globalization from the inception of capitalism in the West to the early 1970s; and the accelerated globalization since the early 1970s (Mittelman 2000: 19).
4 Lance Taylor describes the Washington consensus as an amalgam of "longstanding IMF macroeconomic stabilizing policies, the World Bank's adoption of the market deregulation and supply-side economics, ideas in vogue in Washington early in the Reagan period, and London's deal for privatizing public enterprise which crossed the Atlantic a few years later" (Taylor 1997: 147).
5 The Korean employment system shares many characteristics with the Japanese system, as described by James C. Abegglen (1958). The Korean system has certainly been influenced by the Japanese system.

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8 Tradition modernized

Globalization and Korea's new religions

Donald Baker

Visitors to South Korea are often impressed by the large number of Christian churches, Buddhist temples, shaman offices and other places of worship they see there. With almost equal numbers of Buddhists and Christians, and with tens of thousands of practicing shamans, South Korea has an unusually pluralistic religious culture in which no single religious tradition is dominant. Moreover, in addition to these major religious communities, Korea also has scores of new religions created in Korea.

Most of those new religions are products of the impact of globalization on traditional Korean religious culture. They are manifestations of pre-modern Korean religiosity updated to look modern, with modernity defined according to an imported global standard. It is those new religions that we will examine in this chapter, to show that globalization is not only political, economic and social; it is also cultural.

Korea's new religions, of which there are more than 200 in South Korea, are the results of efforts to preserve traditional Korean values by wrapping them in the protective armor of a modernized institutional framework (Kim Hong-Ch'ŏl *et al*. 1997). Though their ethical teachings are grounded in ancient Confucian and Buddhist values, Korea's new religions promote adherence to their largely traditional moral codes through sermons preached in modern buildings often resembling a Christian church. Those new religions also produce publications that resemble the scriptures of Christianity in both format and appearance much more than they do the religious and philosophical texts produced in traditional Korea. Even the theology of Korea's new religions shows signs of influence from global winds sweeping across the Korean peninsula. Though the gods of Korea's new religions are given familiar names, they adopt many of the characteristics associated with Christianity, a global religion relatively new to Korea.

The melding of the old with the new in Korea's new religions is often an unconscious process. The founders of Korea's new religions used traditional concepts and practices not so much because they deliberately wanted to keep one foot in the past, but because traditional rituals and terminology felt familiar and appropriate. Similarly, they imported foreign terminology and practices, not just to sound modern but because those imported elements were part of the glob-

alized Korean culture within which those new religions were crafted. In other words, those who sculpted Korea's new religions were working with stone from Korean quarries of today. It is because those quarries include both stone that has been present in Korea for millennia as well as stone recently imported from abroad that Korea's new religions often take the shape of modernized tradition.

The most obvious traditional elements in Korea's new religions are the values they teach and preach. Confucianism has dominated ethical thought and discourse in Korea for at least a millennium and a half. Though Confucianism is not usually considered a religion (mainstream Confucianism shows much less concern for gods and the ritual worship of gods than religions usually do), it has assumed the role of ethical standard-bearer that religions assume in most societies. Both shamans and Buddhist monks normally defer to Confucianism when discussing how human beings should behave toward one another. Korea's new religions do so as well.

We see in Korea's new religions the traditional Confucian emphasis on how human beings interact with one another rather than on how they relate to spiritual beings. Such focus on interpersonal relations is usually accompanied by calls for "sincerity", the subordination of our personal self-interest to the needs of our family, community or community. This ethics of "sincere" interpersonal behavior implies a concern for the world in which we live now rather than for the world we may be heading for when we die. Consequently, instead of striving to gain admission to paradise after death, Confucians worked to make life in this world better, both for themselves and for their descendants. Members of most new religions do the same.

The Christian impact on Korean religiosity

Though they may share many of the ethical ideals of their Confucian ancestors, modern Koreans live in a dramatically altered environment, one that can make those values appear old-fashioned and irrelevant. Just as Korea's economic, political and social environment has changed in response to foreign challenges, so has Korea's religious culture. The most powerful religious challenge Korea faced as it was pulled into the globalized modern world came from Christianity (Clark 1986). Korea was never colonized by a Christian nation, so there was no political pressure against Korea's traditional religions. However, Christianity became identified with modernity early in Korea's modern transformation, primarily because the Protestant missionaries who poured into Korea from North America and Europe, starting at the end of the nineteenth century, taught that the modernity represented by the hospitals and schools those missionaries introduced was inseparable from the Christian civilization that had created such modern institutions. It was a short step from identifying modern hospitals and modern schools with the religion of the missionaries who built them to identifying modern religion in general with Christianity. Many of the first Korean Protestants became Christians as part of their wholesale change from a traditional lifestyle to what they saw as a modern way of life. Others who did not

adopt Christianity nevertheless began to accept the Christian criteria for a legitimate modern religion. Christian influence grew even stronger in Korea when the rapid growth in the size of Korea's Christian community (from only around 65,000 in 1900 to 13,762,000 according to the 2005 census) inspired non-Christians to imitate the features of Christianity that drew so many Koreans into Christian churches.

Christian influence has been both organizational and theological. Christianity introduced to Korea the concept of a well-defined and well-organized self-consciously religious lay community. Christianity also introduced large worship halls to urban areas, making organized religion more visible than it had been previously. However, the most striking evidence of Christian influence is found in the theology of the new religions. Monotheism, or at least an emphasis on one supreme deity, sets the new religions apart from the belief in and worship of many deities that characterized traditional religiosity on the peninsula. There are many, both in the new religions and outside of them, who deny that monotheism is an imported notion. Instead, they claim, Koreans have long been at least proto-monotheists, elevating Hanŭnim, the Lord Above, to a position of superiority over all other beings, spiritual or otherwise. However, such a claim is based on a misreading of the historical data, an anachronistic imposition on the past of current assumptions (Baker 2002). The first monotheists in Korea were Korean Catholics, and there was no Catholic community in Korea until the 1780s (Baker 1998).

Monotheism is not the only Christian concept adopted by many of the new religions. The very concept of religion is new to Korea. The term religion implies a community of believers united by participation in distinctive rituals, belief in a shared body of doctrine (often believed to be divinely revealed and contained in a discrete body of scripture), and belief that those scriptures reveal certain moral principles which believers must obey, whether or not their neighbors or their government share or even respect their beliefs, values and moral codes. Membership in such a religious community is self-conscious and exclusive. Lay people who are members of a religious organization today, whether Christian, one of Korean's new religions or even modernized traditional religions, differ from lay participants in pre-modern religious traditions in that they identify explicitly with that organization and recognize that their religious affiliation sets them apart from those who do not share their beliefs and values or join with them in their rituals. The impact of Christian influence on the notion of religious orientation is clear in government surveys that show that the percentage of the population confessing a specific religious affiliation has grown from 12 percent of the population in 1964 to over 53 percent in 2005.

Not only is the notion of specific individual religious affiliation new to Korea; so too is the emphasis on doctrine and scripture rather than behavior. I have argued in my work on the eighteenth-century conflict between Confucianism and Catholicism that Catholics assumed that the good was determined by the true, but Confucians assumed instead that the true was determined by the good. In other words, Catholics assumed that first you had to recognize that God

existed. From that religious truth you could derive your ethical obligations. Confucians, however, when confronted with Catholic arguments for the existence of God, asked "what are the ethical implications of belief in God?" They insisted that only if belief in God promoted adherence to Confucian moral principles should the existence of God be accepted as a fact (Baker 1979–1980).

We can see the legacy of this Confucian emphasis on ethics over doctrine in the new religions. If ethical principles are derivative of doctrinal tenets, then changes in doctrine should lead to changes in ethical codes. However, if ethics is not only independent of but even superior to religious doctrine, then doctrinal innovations should support rather than undermine or radically alter traditional moral assumptions and ethical standards. That is precisely what has happened with the new religions of Korea. The adoption of monotheism and of the doctrine-centered definition of religion has not seriously threatened the hegemony of the this-worldly Confucian ethics of subordination of the pursuit of individual benefit to the needs of the community

This is a very general picture of the relationship between Confucian ethics and Christian theology in Korea's new religions. Let us now turn to some specific examples.

Ch'ŏndogyo

As the oldest of Korea's new religions, Ch'ŏndogyo shows the strongest Confucian influence. That wasn't the case at the beginning, however. When Ch'ŏndogyo 's founder, Ch'oe Che-u (1824–1864), reported in 1860 that God, not a god but *the* God, had appeared to him and conversed with him, he broke sharply with Confucian orthodoxy that denied the real existence of any such Supreme Deity. Moreover, when Ch'oe taught his followers to chant an incantation, to use a talisman to ward off disease or to rely on his sword dance for medical treatment, he was borrowing more from shamanism than from Confucianism.

However, after Ch'oe's execution in 1864 (he was accused by his hardline Confucian government of acting like a Catholic!) his successors Ch'oe Si-Hyŏng (1827–1898) and Son Pyŏng-Hui (1861–1921) systematized and rationalized his teachings, bringing them into closer conformity with Confucian assumptions about the nature of reality and the nature of ethical obligations. By the first decades of the twentieth century, the God of Ch'ŏndogyo was more immanent than transcendent and therefore more closely resembled the this-worldly absolute of Confucianism than it did the God of Christianity. Rather than speaking with God as Ch'oe Che-u claimed to have done, Ch'ŏndogyo believers now pray silently to the divine presence within their hearts.

Moreover, Ch'ŏndogyo believers are told that they must show all their fellow human beings the same respect they owe God. This is the basis of a Ch'ŏndogyo ethical orientation focused on interpersonal relationships, much like the interpersonal ethical orientation of Confucianism. In addition, the chief virtues advocated by Ch'ŏndogyo are drawn from the traditional list of Confucian virtues. Ch'ŏndogyo advocates sincerity as well as reverence and trustworthiness, two

more core Confucian virtues. For people to be able to act in accordance with those virtues, they should follow the advice of Ch'oe Che-u to "*susim chŏngki*"–-preserve their original good nature and rectify their *ki*, phrases that could have been drawn from traditional Confucian ethical exhortations (Ch'ŏn-dogyo chungang ch'ongbu 1994: 30).

In another example of Confucian influence, Ch'ŏndogyo argues that human nature is fundamentally good and therefore human beings can gain moral perfection through their own efforts. By following the advice found in the Ch'ŏndogyo scriptures, human beings should be able recover their original good nature. Once they have done so, and therefore have eliminated self-centered thoughts and actions, they will be able to contribute to the eventual unification of humanity, and of humanity with nature. They will have laid some of the foundation stones from which will eventually rise a paradise on Earth, a world with no injustice and no differentiation of rich and poor; a world in which all human beings are treated with the respect the divine presence within them deserves (Yong Choon Kim 1978).

Ch'oe Che-u would not have objected if some of his ideas or those of his successors were described as Confucian in origin. In fact, in his essay "Nonhang-mun", contained in the Ch'ŏndogyo scriptures, the *Ch'ŏndogyo Kyŏngjŏn*, Ch'oe explains that he calls his teachings "Eastern Learning" (*Tonghak*) because they are based on the writings of that greatest of all sages from the East, Confucius (Ch'ŏndogyo chungang ch'ongbu 1994: 320) He would have been much less willing to acknowledge the Catholic origins of not only his monotheism but even of the name he called his one and only God. Nevertheless, when he wrote in classical Chinese, he used either the Catholic word for God, *Ch'ŏnju*, or the Confucian term for the highest supernatural being, *Sangje*. When he wrote in Korean, which he did less frequently, he called God *Hanullim*, a term not used with monotheistic connotations before this time but one he adopted as a vernacular translation of *Ch'ŏnju*.

Taejonggyo

It is unlikely that the founder or the followers of Taejonggyo would be as willing to admit that they drew some of the core teachings of their religion from Confucius or Christianity. Taejonggyo is defined by its worship of Tan'gun, believed by many Koreans to be both original progenitor of the Korean race and the founder of the first Korean kingdom. Since they believe Tan'gun lived over 4,000 years ago – 1,500 years before Confucius and 2,000 years before Christ – they would claim that any similarity between the teachings of their religion and those of Confucianism and Christianity are because Confucius and Christians learned from Tan'gun, not the reverse.

Taejonggyo (the Religion of the Divine Progenitor) was founded by Na Ch'ŏl (1863–1916) in 1909. The defining doctrine of Taejonggyo is that Koreans do not need to worship Jesus, Buddha or any other foreign gods; they have a God of their own, the same God who, as the legendary king Tan'gun, ruled over a vast and powerful Korean kingdom 5,000 years ago.

According to Taejonggyo, their religion is a restoration of the ancient religion of the Korean people. They claim that, until the middle of the Koryŏ Dynasty, Koreans worshiped a trinitarian God: God the Creator (Hanim), God the Teacher (Hanung), and God the Ruler (Tan'gun Hanbaegŏm), and all they have done is revive the original Korean religion (Taejonggyo ch'ongbonbu 1983: 317). However, not only is this trinitarian theology a clear indication of Christian influence, so is the notion of God the Creator. In Confucianism, and in most of the Korean new religions, the universe is self-generating and self-sustaining through the interaction of yin and yang and the Five Phases. When the new religions talk about God's relationship to the universe, he is usually depicted as the ruler, not the creator. Taejonggyo departs from this tradition, though it does add that God does not create the universe out of nothing but must work with both yin and yang, since everything must be a mixture of both (Taejonggyo ch'ongbonbu 1983: 251–253)

Though its theology might suggest Christian influence, the ethical perspective of Taejonggyo is clearly Confucian. This is evident in the writings of a recently deceased leader of Taejonggyo, An Ho-Sang. An stated in his history of the Korean people (*Paedal Tongi kyŏrye munhwa wa yŏksa*) that the Korean people have long had their own unique ethical principles: love between fathers and sons, propriety between rulers and subjects, and righteousness between teachers and their students (An Ho-Sang 1972: 364). If that sounds suspiciously like core components of Confucian interpersonal ethics, An would have responded that is because Confucius was a member of the Korean Tongi race and therefore learned those principles from Koreans (An Ho-Sang 1972).

Chŭngsan'gyo

Both Ch'ŏndogyo and Taejonggyo are relatively minor players in the religious marketplace that is South Korea today. More noticeable, both because they are more aggressive in their proselytizing and because as a result they have more people reading their materials and attending their functions, are the Chŭngsan family of religions, which are defined by their belief that the Lord on High descended to Earth and walked among human beings as a Korean named Kang Chŭng-San (1871–1909).

Chŭngsan religions would, at first glance, seem less likely than even Taejonggyo to show Confucian or Christian influence. They appear to owe more to shamanism and popular Taoism than to the more theologically sophisticated and ethically oriented religions in Korea. Nonetheless, we can still identify traces of Confucian ethics and Christian theology beneath the layers of shamanism and popular religion.

There are about 50 religious organizations that worship Kang Chŭng-San as God and follow his teachings. The best known are Chŭngsan-do (it prefers the spellings JeungSanDo or Jeung-sahn-do), which has focused on university campuses in Korea and also on converting New Agers overseas, and Taesŏn chilli-hoe (it prefers the spelling Daesun Chilli-hoe), which attracts mostly

Korean housewives and businessmen but is also represented on university campuses. The differences between Chŭngsan-do and Daesun Chilli-hoe originate in the period a few years after Kang Chŭng-San's death (or re-ascension to heaven, as believers prefer to say) in 1909. Chŭngsan-do places a picture of Kang's widow in the worship hall next to him and worships her as T'aemonim (the Great Mother), since Chŭngsan-do traces the transmission of Kang's teaching through her after his return to heaven. Chŭngsan-do also worships Tan'gun, Tan'gun's father Hwanung, and his grandfather Hwanim as gods of Korea. Instead, Taesun chilli-hoe, in addition to worshiping Kang Chŭng-San as Sangjenim (the Lord on High), enshrines Chŏngsan Cho Ch'ŏl-Je (1895–1958), the founder of T'aegŭkdo (another early Chŭngsan religion), as the Jade Emperor and traces the line of transmission of Chŭngsan's teachings through him and then on to the founder of Taesun chilli-hoe, Pak Han-Gyŏng (1917–1996).

Despite differences over organizational genealogy, Chŭngsan-do and Taesun chilli-hoe have more commonalities than differences. For example, they both refer to Kang Chŭng-San as Sangjenim, a term taken from ancient Chinese classics, and they both insist that Sangjenim, as the Supreme Ruler of the Universe, sent Confucius and Jesus into this world, just as he sent Buddha, and now that those three sages have fulfilled the mission he gave them, he has relieved them of their duties. Instead, after he returned to his celestial throne in heaven in 1909, Sangjenim put Zhu Xi (the great twelfth-century Chinese Confucian philosopher) in charge of Confucianism, Matteo Ricci in charge of Christianity, Ch'oe Che-u in charge of Taoism, and the mid-Chosŏn Dynasty monk Chinmuk in charge of Buddhism. Of those, Kang Chŭng-San said, Matteo Ricci, a famous seventeenth-century Catholic missionary to China, has the highest rank.

The high rank given Matteo Ricci would seem to indicate that Kang Chŭng-San was impressed and influenced by Christianity. There are other signs of Christian influence. Despite their recognition that there are many spiritual beings, the Chŭngsan religions grant so much power and authority to Kang Chŭng-San (he is the Lord of Creation) that they approach monotheism, tempered of course by the presence of T'aemonim in Chŭngsan-do and the Jade Emperor Cho Ch'ŏl-Je in Taesun chilli-hoe (An Kyŏng-Jŏn, 1993: 110–112). There is even evidence of the influence of Christian trinitarian monotheism. The first chapter of the Chŭngsan-do scripture describes the creator of the universe as the Triune Spirit, which Chŭngsan-do claims is the way Koreans conceived of God millennia ago (Jeung-sahn-doh Research Institute 2000: Vol. I: 1). Chŭngsan-do recognizes the similarity between its belief in a Triune Spirit and the Christian doctrine of the Trinity, but it claims, just as Taejonggyo does, that this is because Christians copied from ancient Koreans (Jun-Woo Lee 1996: 305). Another point of similarity which suggests to some observers that Chŭngsan religions were influenced by Christianity is the form the Chŭngsan'-gyo scriptures take. Though they differ somewhat from denomination to denomination, all Chŭngsan-gyo scriptures resemble the Four Gospels of the New Testament in that they are records of Kang Chŭng-San's words and actions those

few years he was traveling around southwestern Korea preaching and performing miracles.

As in the other new religions, Confucian influence reveals itself most clearly in Chŭngsan'gyo's ethical teachings. Taesŏn chilli-hoe advocates the usual three core Confucian virtues of sincerity, reverence and trustworthiness, and also calls for adherence to the standard Confucian principles governing human interaction in order that harmony will prevail both within families and between nations. In language Confucians would not use, however, it urges its members to refrain from creating more *han* (resentment at unjust treatment) in the world. Chŭngsando has similar injunctions, asking its followers as the first of its five commandments to refrain from treating others unfairly. It also asks its followers to work to improve other's lives, to be true to themselves at all times, and always to repay all favors. There is nothing particularly Confucian about these last moral principles, except possibly the second one about being true to oneself, which is one of the meanings of the Confucian virtues of sincerity.

Confucian influence is unmistakable, however, in the emphasis Chŭngsan'gyo places on respect for ancestors as well as the general cosmological vision behind the Chŭngsan'gyo perspective. The Confucian respect for ancestors (one feature of the Confucian focus on interpersonal relationships) reveals itself in several passages in the Chŭngsan'gyo scriptures. In one example, when talking about the many non-believers who will die at the time of the tribulations that will precede the Great Transformation (which will bring an end to this cosmic era and usher in a new era of universal peace, prosperity and justice), Kang Chŭng-San said, "You must clarify your lineage and your identity. Those who betray the god of their country and deny their ancestors will all die." (Jeung-sahn-doh Research Institute 2000: Vol. I: 66.) He also stated, in words in which an orthodox Confucian would find nothing to disagree with, "Since people receive their bodies from ancestors and are therefore indebted to them, offering ancestral rites is in line with the virtue of Heaven and Earth." (Jeung-sahn-doh Research Institute 2000: Vol. II: 125.) Moreover, among the more powerful spirits in heaven in the Federation of Spirits under the command of Kang Chŭng-San are the founding spirits of family lines, ranking alongside the spirits of those who created the great civilizations in human history.

Another sign of Confucian influence is the assertion, despite the injunction to worship Sangjenim, that humanity is the center of the universe: "The nobility of the human is greater than that of heaven and earth" (Jeung-sahn-doh Research Institute 2000: Vol. I: 49). Standard Confucian thought linked Heaven, Earth and Humanity in an ontological triad, but Confucianism can also be seen as an anthropocentric ethical system because of its emphasis on interpersonal relationships. The teachings of Kang Chŭng-San are equally anthropocentric. Instead of promising eternal life in heaven, he promised to provide a paradise on this Earth for human beings to enjoy. A third sign of Confucian influence is the language Kang Chŭng-San used to discuss the conflicts which plague the current age, and will be overcome in the next. He calls those conflicts the result of "mutual

conflict", language reminiscent of the relationships of mutual control and mutual production that are essential components of traditional cosmology.

The Chŭngsan family of religions clearly grew out of Confucian soil and, just like Ch'ŏndogyo and Taejonggyo, shows the influence of the Confucian interpersonal ethical orientation (Pak Ki-Min 1985: 86–173).

Won Buddhism

The same Confucian influence, as well as slight traces of Christian influence, can also be seen in Won Buddhism, though this new religion is primarily an expression of Buddhist assumptions and values. Founded in 1916 by Pak Chung-Bin (1891–1943), it represents a modernized urban approach to Buddhism.

One sign of modernity in Won Buddhism is the absence of statues in its worship halls. Instead of the usual triad of Buddhas and Boddhisatvas, Won Buddhist worship halls have instead a plain circle. This is explained in Won Buddhism as the symbol of the One Mind, the Dharmakaya Buddha, identified with ultimate reality underlying the phenomenal world. However, there are more than doctrinal concerns involved in the shift from multiple statues to a single circle. Eliminating statues from Won Buddhist halls of worship makes them look more like Protestant churches, and thus more modern. Another indication of Christian influence on Won Buddhism, and their adoption of Christianity as the paradigm of what a modern religion should look like, is their early and continuing interest in social welfare projects such as hospitals and orphanages. Such institutional social welfare projects were not part of traditional Buddhism in Korea.

Confucian influence on Won Buddhism can be found in some of the core doctrines of Won Buddhism that distinguish it from more traditional schools of Buddhism. Won Buddhism is a life-affirming Buddhism. Rather than enjoining its followers to develop an attitude of non-attachment from the things of this world, Won Buddhism asks them to be grateful for being able to live in this world. Specifically, followers are told to cultivate an attitude of gratitude toward the Four Beneficences: heaven and Earth for providing the physical environment in which they live, their parents for providing them with life, their fellow human beings for providing the society without which a decent human life would not be possible, and law for providing the security and stability without which life would not be endurable. Moreover, Won Buddhists are told to show their gratitude toward the law in ways reminiscent of the moral injunctions of the Confucian Classic, the *Great Learning*. They are told to practice self-discipline, which will lead to them managing their families well, which in turn will lead to a well-governed society, a well-governed nation and, finally, a well-governed world (Pak 1985: 248–325).

The Unification Church

Just as the primary influences on Won Buddhism are Buddhist, the primary influences on the Family Federation for World Peace and Unity are Christian. The Family Federation for World Peace and Unification is better known as the Unification Church, from the name it used before 1997, the Holy Spirit Association for the Unification of World Christianity. The original name of this new religion reveals its strong Christian orientation, though, just as Won Buddhism introduced some radical departures from standard Buddhist doctrines and practices, so too does the Unification Church offer a radical reinterpretation of Christian tradition.

According to Sun Myung Moon (1920–), who founded the Unification Church in 1954, mainstream Christians are wrong in thinking that Jesus successfully completed the mission God assigned him 2,000 years ago. Jesus was sent by God to offer both spiritual and physical salvation to humanity. He succeeded in the first part of his mission and established the spiritual foundation of faith that is a prerequisite for physical salvation. However, physical salvation would have required Jesus to marry and father children – children who would then be free of the stain of Adam and Eve's original sin. Those children then could fulfill God's plan of establishing the Kingdom of Heaven on this Earth. Unfortunately, Jesus was crucified before he could marry and become a father, and therefore it became necessary for God to send a second messiah, the Lord of the Second Advent, who could father a sinless family and lay the foundations for a Kingdom of Heaven to appear on this Earth. Moon announced in 1993 that he is that Lord of the Second Advent and that he and his wife are the True Parents of humanity who are finishing the mission Jesus began (Chryssides 1991).

This is obviously not orthodox Christian theology, but the Christian roots of Unificationist thought are evident. Confucian influence on the Unification Church is subtler. One sign is the title of the book containing Moon's revelations and reinterpretation of Christian doctrine. That book is called *Divine Principle*. "Principle" is the same term Confucian philosophers use for the patterns of appropriate behavior that should govern our lives. A more significant sign of Confucian influence is the emphasis on the family as the primary ethical unit. The Unification Church teaches that only a family, not an individual, can bring physical salvation to humanity. Unificationist doctrine holds that it was his failure to marry that kept Jesus from completely fulfilling his mission. Moreover, the most important ritual in the Unification Church is the Blessing, for it is only through a proper marriage (one blessed by the Lord of the Second Advent) that someone can contribute to the construction of the Kingdom of Heaven on Earth.

The Confucian emphasis on ancestors has recently grown stronger in Unificationist circles, leading to changes in the way the Blessing is conceived and practiced. The marriages of long-dead ancestors may now also be blessed so that they too can be citizens of the Kingdom of Heaven. In 1999, blessings were only available for the first seven generations of a member's ancestors on the father's

side. There are reports, however, that maternal ancestors may soon be eligible (Introvigne 2000). This initial privileging of paternal ancestors is a clear sign of a Confucian regard for paternal heritage, as is the statement in *Divine Principle* that the Lord of the Second Advent must come from an illustrious lineage. He must be "the descendant of ancestors with many accomplishments of goodness" (HSA-UWC 1973: 201).

Dahn World and Kuksŏndo

In the last quarter of the twentieth century, a different category of new religions appeared in Korea. These new religions, which have not yet formally declared themselves as such, are not shamanistic, Buddhist or Christian in origin. Instead, their roots are in Taoism, particularly the longevity-enhancing practices of the internal alchemy school of Taoism. However, their ethics reveal both Buddhist and Confucian influence.

The contemporary interest in Tanhak (the study of the cinnabar field that generates longevity-enhancing *ki*, the matter-energy that constitutes our bodies and keeps us alive) and *tanjŏn hohŭp* (cinnabar-field breathing) began in 1967, when Ko Kyŏng-Min began teaching what he called *Kuksŏndo*. At first he didn't attract much interest, but in the late 1980s, after a best-selling novel by Kim Chŏng-Bin, entitled *Tan* (cinnabar), reintroduced Koreans to Taoist immortals and the supernatural powers they are believed to possess, more and more Koreans began to read his books and learn his techniques. Ko was soon joined by other Taoist teachers who established their own schools and wrote their own books on Taoist breathing practices and physical exercises (Yu 2000: 49–58).

Dahn World (*Dahn* being its spelling of *Tan*) is the most visible of these modern Korean Taoist organizations. The head of *Dahn* World is a man named Yi Sŭng-Hŏn, but he is better known to those who look to him for guidance as Ilji Taesŏnsa (Ilji, The Great Teacher of Immortality). He has become the leading promoter of Taoist longevity techniques in South Korea today, and has acquired large numbers of followers in North America as well.

Neither Kuksŏndo nor *Dahn* World proclaims itself a religion. The current leader of Kuksŏndo recently wrote:

> although you may run across some words in our publications which sound religious, we use such words only to make it easier for you to understand our message. We clearly are not a religion, since we do not worship anything, nor do we ask anyone to have faith in our teachings.
>
> (Hŏ 2000: 23)

Yi Sŭng-Hŏn went even further in denying that his organization constitutes a new religion. He wrote that *tanhak* is "a religion which is not a religion", just as it is "medicine which is not medicine, science which is not science, a sport which is not a sport, and a martial art which is not a martial art" (Yi 1993: 6). He means that *Tanhak* encompasses all the truths taught by all religions and more,

just as it heals what medicine can heal and more, explains what science can explain and more, and provides all the benefits to the mind and body which sports and martial arts can provide and more (Yi 1993: 27–55). In other words, *Tanhak* encompasses religion, medicine, sport and the martial arts and thus, he claims, it is superior to all of them since it is more than any one of them.

Such a claim to universal hegemony is typical of religious movements. However, Kuksŏndo and *Dahn* World differ from more typical religious organizations, those which proudly bear the label "religion", by claiming that both their teachings and their practices supplement rather than contradict the teachings and practices of more mainstream religions. As Yi Sŭng-Hŏn explained in a recent book, people interested in *Tanhak* should be aware that *Tanhak* is not an "alternative to their respective religious faith traditions, but a means to help them become better Christians, Buddhists, or Muslims" (Yi 2000: xvi).

Yi Sŭng-Hŏn would never deny that there is a spiritual dimension to his teachings. In fact, *Dahn* World publications proclaim that Yi is one of the "fifty preeminent spiritual leaders of the world" (Yi 2000: 101). However, that does not make *Tanhak* a religion since, as Yi Sŭng-Hŏn explains, "The difference between religion and *Dahnhak* lies in that *Dahnhak* [*Tanhak*] seeks Truth in the body while religion tries to learn it through religious texts or doctrines" (Yi 1999: 69).

Nevertheless, there are elements in *Dahn* World teachings that go beyond what practitioners will hear their bodies telling them when they engage in the breathing exercises and physical movements Yi Sŭng-Hŏn recommends. Yi Sŭng-Hŏn calls on his followers to respect and internalize the spirit of the founder of *tanjŏn hohŭp* (the internal alchemy breathing practices which are the core of both Kuksŏndo and *Dahn* World exercises). That founder, he says, is not himself; all he did was rediscover the teachings of the original founder, who founded not only *Tanhak* but the Korean people and nation as well. That original founder is none other than Tan'gun (the god of Taejonggyo), with his *hong'ik in'gan* (broadly benefiting mankind) philosophy, whom practitioners are encouraged to honor and emulate. Kuksŏndo makes a similar claim for ancient Korean origins of Chinese internal alchemy practices, though it doesn't go as far as Yi Sŭng-Hŏn does in pinpointing exactly who the ancient founder of those practices is.

Just as is the case with Taejonggyo, followers of Kuksŏndo and practitioners of Yi Sŭng-Hŏn's techniques admit that their terminology and techniques resemble those found in Chinese tradition. However, just as Taejonggyo does, they claim that similarity is due to the fact that the Chinese learned from ancient Koreans rather than the reverse.

Ideas that most scholars consider Chinese in origin are particularly apparent in two areas: physiology and cosmology on the one hand, and ethics on the other. In the very first pages of a three-volume introduction to Kuksŏndo teachings and practices, Ko Kyŏng-Min admits that the basic principles behind techniques for promoting longevity are found in the Chinese philosophy of yin and yang and the Five Phases – the same concepts that shaped Confucian visions of

the cosmos (Ko 1993–1994 Vol. I: 32). The pages of Yi Sŭng-Hŏn's many books are similarly sprinkled with terms that a traditional Confucian scholar would be very comfortable with. Much of his language, especially when he writes about *ki*, is drawn from the terminology of Chinese medicine.

The vocabulary Kuksŏndo and *Dahn* World use in talking about the ethical goals of their endeavors also has Chinese roots. Both discuss the ultimate goal of their practices in terms reminiscent of the "Western Inscription" of the Song Dynasty Confucian Zhang Zai (1020–1077). They emphasize that human beings must become one with the universe by acting in harmony with it. Moreover, Kuksŏndo says the five primary virtues it expects its practitioners to honor are wisdom, propriety, benevolence, righteousness and trustworthiness, which are the Five Constants of Confucianism. Kuksŏndo also calls for its practitioners to follow the six ethical principles of making their minds sincere, respecting heaven, being loyal to their country, being filial to their parents, interacting harmoniously with relatives, and respecting the truth (Kuksŏndo: 117–120). The first five principles would sound very familiar to a Confucian scholar from Korea's Confucian Chosŏn Dynasty.

So would the name that *Dahn* World uses for the second stage of training for its practitioners, after they have mastered the basic Qigong-style exercises and breathing techniques. It calls that training *simsŏng suryŏn* – cultivating the heart and human nature. Though much of the language used to describe the training sounds either Buddhist (seeking the oneness within) or New Age (learn to love yourself), there is definitely a Confucian undercurrent. *Simsŏng* training is intended to erase barriers between the *ki* of our bodies and the *ki* of the universe so that we can become one with that universe in a moral interconnectedness, much like that which eleventh-century Chinese philosopher Zhang Zai called for in his "Western Inscription", a core text of Neo-Confucianism.

The New Age movement in Korea

Confucian ethical principles are found across the entire spectrum of new religions in Korea. Christian influence is less widespread (there is little evidence of overt Christian influence on modern Korean Taoism). However, those new religious movements that have borrowed the least from Christianity are not exempt from the effects of cultural globalization, since that group includes those that have been pushed by globalization toward New Age philosophies. It is as though, even if they are not attracted to Christian ideas and organizational principles, they still need to borrow from the West to appear modern. Among Korea's new religious movements, Chŭngsan-do and *Dahn* World are the most conspicuous importers of New Age terminology and beliefs.

New Age influence is much more difficult to identify than Christian influence, since there is no clear and concise definition of what "New Age" means. The term New Age does not refer to a coherent movement, but rather to a constellation of ideas and practices, some of which contradict other elements of that constellation. The adjective "new age" is applied to relaxing and uplifting music

relying more on strings than on percussion, to belief in paranormal phenomena such as telepathy, to spiritual meditation practices, to rejection of the authority of modern science as too narrowly empirical, and even to belief in such unverifiable claims as the existence of Atlantis or extraterrestrial beings living among us.

Many concepts that are Old Age in Asia become New Age when they are exported to the West and incorporated within the New Age insistence that there are invisible forces in the universe that modern science refuses to acknowledge. One example is the popularity of geomancy (*feng-shui*) among New Age believers. Another is an interest in ways to enhance the circulation of *ki* within our bodies so that we can be stronger and healthier, and can live longer. Yoga, too, though it is an ancient practice in India, is identified with the New Age movement in the West since it, too, is based on assumptions about human physiology and its malleability that modern Western medical science rejects.

The New Age movement is a prime example of cultural globalization, of the reshaping of cultures around the world through transregional interaction. Though it appeared first in the West, it contains so many ideas and practices, such as yoga and Oriental medicine, which originated in Asia, that many Westerners think of it as primarily a product of the supposedly superior spiritual insights of Eastern civilization. That globalizing integration of cultures is as evident in Korean New Age culture as it is in New Age communities in North America. Though the Korean New Age movement contains many indigenous Korean elements, such as traditional Buddhist meditation techniques and a belief that wise old men with long beards live deep in Korea's mountains, it also accepts wholeheartedly elements of the New Age movement that originated in the West.

The New Age movement has had an institutional presence in Korea since 1984, when Chŏngsin segyesa began publishing books on natural medicine, spiritual science and the ancient history of the Korean race. One of its first best-sellers was the novel *Tan*, which helped spark the interest in Taoist internal alchemy that continues today. It also markets, in Korea, New Age bestsellers from overseas. For example, over half of its top 20 best-sellers in the summer of 2001 were written by non-Koreans, and the list included such titles familiar to Western New Agers as *Friendship with God* by Neale Donald Walsh, and *Theosophy* by Rudoph Steiner. Korean-authored best-sellers include Yi Sŭng-Hŏn's *Healing Society* and Yi Sang-Mun's *The Miraculous Yin-Yang Diet*. *Healing Society* was also a best seller among New Agers in North America. With Korean New Age publications selling well in North America and North American New Age publications selling well in Korea, there is no doubt that the New Age movement is an international movement and a prime example of cultural globalization.

Dahn World and the New Age movement

The success of *Healing Society* in North America is but one indication that Yi Sŭng-Hŏn and his *Dahn* World have become part of that global New Age

culture, with over 30 centers overseas in addition to the 300-plus centers in Korea. Another sign of *Tanhak* globalization is the location of Yi Sŭng-Hŏn's Sedona Retreat and Healing Park. Until Yi Sŭng-Hŏn opened his retreat center there, there were not many Koreans in Sedona, Arizona. Yi Sŭng-Hŏn chose to locate his retreat there because Sedona is a mecca for New Agers in North America, who visit it to benefit from its vortices, which are believed to provide unusually intense concentrations of terrestrial energy (which Yi Sŭng-Hŏn identified with *ki*). A third indication that *Dahn* World has joined hands with the New Age movement is the presence of Neale Donald Walsh, an icon of the New Age in North America, alongside Yi Sŭng-Hŏn as co-founders of an organization they call the "New Millennium Peace Foundation".

Similarities between Yi Sŭng-Hŏn's ideas and those associated with the New Age movement are apparent in books he has published in both Korean and English. The English title alone of one such book, *The Way to Light up your Divinity*, is enough to win it a place on the New Age shelves of bookstores. In that book, Yi Sŭng-Hŏn promises that advanced *Tanhak* practitioners will be able to obtain most of the *ki* they need by breathing through acupuncture points on the soles of their feet and that, once they have reached that state, their "astral body" will be able to leave their physical body – "In other words, we can enter and exit our body of our own will" (Yi 1999: 27).

Yi Sŭng-Hŏn's most popular book, *Healing Society*, is even more openly New Age. *Healing Society* is primarily a call for an Enlightenment Revolution. Yi Sŭng-Hŭn promises that if 100 million men and women obtain enlightenment through the techniques he advocates, "we will change the destiny of the Earth itself. The healing vibration of their choices and determination will cure the Earth of the ills that we have caused". (Yi 2000: 75.) In other words, humanity will enter a new age.

Much of the rest of the content of *Healing Society* similarly resonates with New Age rhetoric. For example, New Agers often talk of the extraordinary abilities human beings can discover in themselves if they adopt New Age techniques. Yi Sŭng-Hŏn talks of the paranormal abilities his command of *ki* gave him. He claims he became able to "see spirits, diagnose people without touching, sheath myself in a protective capsule of energy, manifest incredible physical strength, and do other 'miraculous' things" (Yi 2000: 85).

Chŭngsan-do and the New Age movement

Yi Sŭng-Hŏn never explicitly links his organizations or his theories with the New Age movement, though his Sedona retreat center, his definition of enlightenment, his references to the astral body and his partnerships with New Age personalities make those links obvious. Chŭngsan-do is not as reticent about proclaiming itself a New Age religion. An early English-language introduction to Chŭngsan-do proudly proclaimed it to be "The New Religion for a New Age" (Jaenam Kim 1992). A later English-language pamphlet that Chŭngsan-do dis-

tributes to attract Westerners to its healing meditation workshops states explicitly that the new era in cosmic history which will begin at the end of Great Transformation is the same as the Age of Aquarius New Age Westerners talk about.

Chŭngsan-do often sets up booths at Healing Expos and other New Age events in English-speaking countries to try to attract those open to New Age ideas and practices. The first English-language translation of portions of the Chŭngsan-do scriptures included photos of Chŭngsan-do proselytizing at New Age events in New York, London and Sydney (Jeungsando DoJeon Translation Committee). Such booths are sometimes successful in attracting new believers. For example, in the July 2001 issue of the Chŭngsan-do monthly magazine *Wŏlgan Kaepyŏk*, there is an article by an American woman who first learned of Chŭngsan-do at a Wellness Expo in Dallas, Texas, and is now a devout believer. The author is typical of the type of person Chŭngsan-do attracts in the English-speaking world. She writes that when she was in her twenties she "become interested in reincarnation and mediums", and that she "dabbled in metaphysics" into her thirties. Later, before converting to Chŭngsan-do, she immersed herself in meditation and shamanism (Trent 2001). To such samplers of the various dishes at the New Age banquet table, there is nothing unusual or strange about the teachings of Chŭngsan-do.

Chŭngsan-do, or at least some of its leaders, has also accepted the New Age beliefs in UFOs and in channeling. A few years ago, an article in the journal published by the Association of College Professors Who Are Chŭngsan-do Believers, written by a professor of Business Administration who is also the head of the Taegu branch of the Society for Research in Chŭngsan-do thought, stated unequivocally that extraterrestrials have visited Earth in the past, including some visits in recent decades, and that some extraterrestrials communicate with earthlings today through channeling, the use of the speech organs of a human host to converse with other humans (Yi Sanghwan 1996). Chŭngsan-do also agrees with many New Agers that Atlantis and Ur, two legendary lost civilizations, actually existed on this earth many thousands of years ago (Kim 1992: 100). Neither Atlantis nor Ur – nor, for that matter, extraterrestrials – are part of traditional Korean thought, so their mention in Chŭngsan-do materials can only be due to New Age influences. The same is true of Nostradamus (1503–1566) and Edgar Casey (1877–1945), two prophets mentioned in Chŭngsan-do materials whose reputations predate the New Age movement in North America but who were unknown in Korea until New Age publications introduced them (An Kyŏng-Jŏn 1995: 52–57, 65–70).

Conclusion

Among Korea's new religious movements, *Dahn* World and Chŭngsan-do are the most conspicuous examples of New Age influence. The other important new religions, including Won Buddhism, show Christian influence instead. In both cases, however, Korea's new religions are products of the impact of cultural

globalization on Korean religiosity. They represent the marriage of tradition with modernity, with modernity identified largely with the global culture that originated in the West. At their core are traditional ethical perspectives often accompanied by traditional cosmological terms such as *ki* and *yin/yang*. However, that traditional core is given a protective outer covering borrowed either from Christian theology and organizational models or from Western New Age groups. This allows Korea's religions to be both new and old, both modern and traditional. In other words, they represent globalized and therefore modernized tradition.

Wearing modern dress is a necessary but not a sufficient condition for a new religious or spiritual organization to gain much of a following in modern Korea. Such an organization must also appear to be genuinely Korean. It will appear Korean if it proclaims that Korea either once was or will soon be the spiritual capital of humanity (claims made by Taejonggyo, the Unification Church, *Dahn* World, Kuksŏndo and the Chŭngsan religions). More importantly, however, to appear Korean it should also discuss the moral obligations incumbent on all human beings in terms that sound familiar to Korean ears. Since the folk religion has no significant explicit ethical system to speak of, and the Buddhist ethics of non-attachment and compassion and respect for all living things never really penetrated deeply into Korean culture outside of mountain monasteries, the only ethical vocabulary available to Koreans who want to sound authentically Korean is Confucian.

To most Koreans today, references to sincerity don't sound particularly Confucian. Neither do references to the family as the basic moral unit of society and therefore to the centrality of filial piety. Rather, those virtues sound quintessentially Korean. Despite globalization and the changes it has brought to Korean theology, Korean religious practices and the structure of Korean religious organizations, the ethical vocabulary of Koreans remains similar to the ethical vocabulary their ancestors used centuries ago.

The new religions of Korea, in order to be a successful in modern Korea, must borrow from the West, either by adopting some of the theological orientation and external trappings of Christianity or by adopting some of the terminology and practices of the New Age movement. At the same time, in order to be a successful Korean religion, they must preserve some of the this-worldly interpersonal ethical orientation of Confucianism. The varieties of modernized tradition which this combination of the old and the new produces, the new "traditional indigenous" religions of Korea, are concrete indications of how much, and how little, cultural globalization has reshaped Korean culture.

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Part IV

Societal cohesion

Introductory notes

Donald Baker

Founding new religions and calling for the resurrection of Confucian values are not the only ways Koreans have sought to turn globalization to their nation's advantage or at least minimize the harm globalization might do to the existing order. As anyone who has spent much time in Korea knows, Koreans are not a passive people. They do not simply sit back and accept whatever threatens their beliefs, their values or their community; instead, they resist and even try to turn negative forces to their advantage. For example, they fought to maintain their cultural and ethnic distinctiveness during the 35 years they were under Japanese colonial rule in the first half of the twentieth century, and ended up with a much stronger sense of Korean cultural and national identity than they had before the Japanese occupied their land. They then spent the second half of the twentieth century overcoming the destruction of the Korean War, and managed to make the southern part of the peninsula richer and stronger than Korea had ever been in its entire history. It is not surprising, therefore, that Koreans have been able to reap some benefits from globalization, and have also sought ways to mitigate its unpleasant side-effects.

Byung Young Ahn examines the response to one particular frequent result of globalization – rising unemployment. Kim Dae Jung assumed the presidency of Korea right after Korea was slammed by the Asian economic crisis of 1997. Despite his populist political stance, Kim was forced by the World Bank and the IMF to adopt neoliberal policies that favored efficiency over full employment. The legacy of developmental policies under the Park and Chun regimes left Korea in the mid-1990s with a weak welfare system, so he did not have many tools to work with the ease the pain of unemployment. Ahn argues, however, that Kim could have done a better job. In Ahn's opinion, Kim failed to gain agreement from the various sectors of society about what needed to be done. He was also unable to get his own government to implement the broader welfare policies he proposed. This lack of consensus over how to respond to the negative consequences of accelerated globalization meant, according to Ahn, that Korea paid a heavier social price for the neoliberal policies globalization forced on it than it needed to.

Proponents of globalization did not expect the negative impact Ahn points out. Nor did they expect another phenomenon that Gi-Wook Shin and Joon Nak

Choi uncovered. Shin argues that globalization inspired a nationalistic reaction against the homogenizing effects of globalization. It is not just that nations that fear being overwhelmed by outside forces try to strengthen themselves economically and politically in order to maintain their independence. The reaction to nationalism is much deeper than that. Individuals in nations affected by globalization develop a much stronger consciousness of their own ethnic identity and put more energy into preserving the perceived identifying characteristics of that identity than they bothered to do before they felt their ethnic distinctiveness threatened by globalization. Moreover, they defend their distinctive culture and ethnicity with tools provided by globalization.

One telling example Shin and Choi provide is the Korean Minjok Leadership Academy. Established to strengthen Korean knowledge of and pride in their own culture, this high school nonetheless teaches most of its classes in English so that its graduates can compete on the world stage. The Korean Minjok Leadership Academy is just one example of the Korean responses to Kim Young Sam's warning, when he began promoting *segyehwa*, that Koreans could not be equal partners in the global community unless they were as proud of their culture as others were of theirs. Other examples can be found on the Internet. Shin found that the more Koreans surfed the world-wide web, the more they were likely to be nationalistic. A *Google* search for web pages on "Dokdo" (an island occupied by Korea but claimed by Japan), on "East Sea" (the name Korea prefers for the sea surrounding Dokdo (a sea much of the rest of the world calls the Sea of Japan) or, for that matter, on "Tan'gun" (the legendary primal ancestor of the Korean people and their first king), lends support for Shin's finding.

One of the many interesting results of the research by Shin and Choi is that Koreans today strongly insist that Korean identity is determined biologically. Even as more and more Koreans emigrate from Korea, more and more non-Koreans move into Korea and marriages between Koreans and non-Koreans become more common, Koreans grow more insistent that they are one people, sharing a single bloodline, and that only those sharing that bloodline are Korean.

This is one more example of the many complex ways globalization changes the peoples it touches. Threatened by the homogenizing waves of globalization, Koreans are doing as other peoples around the world are doing in similar situations. They are loudly asserting their claim that they are a separate and distinct ethnic and national group. They are also asking their government to protect them from those negative consequences of globalization that threaten to split their community into richer and poorer. At the same time, however, they are asking that government to adopt whatever policies, technologies and institutions need to be adopted from abroad for Korea to be able to compete as an equal in the global community of nations. Globalization has been, and continues to be, a multi-faceted phenomenon, one that provides both promise and danger, and one whose harmful effects can best be mitigated by using the tools that globalization itself provides, whether those tools are imported welfare policies, imported models for creating civic movement organizations, or stronger assertions of nationalistic pride provoked by the homogenizing threat of globalization.

9 Globalization and welfare reform in South Korea under the Kim Dae Jung government

Byung Young Ahn

Introduction

The Kim Dae Jung government took office in early 1998, when Korea was still reeling from the economic and social turmoil caused by the 1997 financial crisis. One of the salient features of the approach to government adopted by the Kim Dae Jung administration was to combine neoliberal economic structural reforms with compensatory welfare reforms (Yang 2000).

This dual approach can be interpreted as an effort to prevent socio-economic polarization. It was feared that such polarization could undermine the social cohesion necessary for the success of the massive neoliberal economic reforms adopted to overcome the negative legacies of the Korean developmental state and enhance international competitiveness. It was critical for the Kim Dae Jung government to maintain political support from the general public, including labor, not only for a successful launch of neoliberal economic reforms but also for their successful completion.

Without broad support or at least reluctant consent, the economic adjustment programs were bound to fail, as was seen in many Latin American countries. Therefore, the Kim Dae Jung government proceeded with its dual approach, garnering political support from civic movement groups, labor, progressive intellectuals and college students.

The Kim government's dual approach was intriguing, since it challenged the conventional wisdom that globalization will weaken a nation-state's policy autonomy and bring about a retrenchment of the welfare state. Therefore, this chapter seeks to understand under what politico-economic conditions the Kim Dae Jung government's social policy initiatives were espoused and carried out, and to assess how effectively they were implemented and what limitations they faced.

In this chapter, I will argue that the Kim Dae Jung government's welfare reforms were a remarkable step of historic importance towards reshaping and enhancing social policies in the process of developing the Korean welfare system. The Korean case strongly suggests that welfare politics is still a domestic game largely conditioned by the way production has been structured, as well as by other institutional legacies. I will also point out the inherent limitations of the social reform initiatives of the Kim Dae Jung government.

First, although the recent development of Korean welfare reforms reflects a certain ideological propensity towards the popular sector, the Kim administration's social policies were not systematically designed with long-term goals in mind. Rather, they were by and large made on an ad hoc basis colored often by ideological excessiveness. Second, the Kim government's social welfare initiative was trapped in the legacies of the developmental state that preceded it. As a result, the middle class and labor that had once supported Kim's government began to withdraw their support, resulting in far-reaching consequences for social cohesion.

This chapter is composed of five parts. The next section is a theoretical overview of the relationship between globalization and the welfare state. Two contending hypotheses, the "efficiency" hypothesis vs the "compensation" hypothesis, and perspectives on the production and labor market regimes will be presented. The third section provides background information on the history of the Korean welfare state, while the fourth section presents the Kim Dae Jung government's productive welfare initiative and major social policy changes, including social insurance coverage expansion, implementation of a new public assistance program, introduction of a mechanism for reaching a broad consensus, and labor market reform. The fifth section assesses the productive welfare initiative and underlines constraints on it. The chapter concludes with a summary of the outlook for the productive welfare initiative.

Theoretical context

Globalization and the welfare state

Debates on the effect of economic globalization on the welfare state or social policy have not been yet conclusively resolved. Recently, as Garrett (1998) and Rudra (2002) have noted, there have been two quite contradictory sets of arguments: the "efficiency" and "compensation" hypotheses (Kaufman and Segura-Ubiergo 2001). Each offers quite different propositions about the interests and resources of labor and capital, and about the economic and political options which governments face.

The "efficiency" hypothesis rests on the assumption that high levels of social spending and the protected labor market of the modern welfare state reduce competitiveness in global markets. Therefore, as business groups become increasingly exposed to international competition and state elites become aware of the national imperative to survive amid global economic competition, they press governments to reduce social expenditures, privatize overburdened public sectors, and increase labor market flexibility.

Liberalization of capital markets would presumably compound this pressure, since capitalists have greater exit options than workers, which in turn increases asset holders' bargaining power vis-à-vis labor. In short, as their economies become more exposed to international competition, the incentives for governments to curb social welfare provisions become stronger, while the political

costs of doing so decline. Consequently, this efficiency hypothesis claims that the modern extensive welfare states will come to resemble the more market-conforming form of the welfare state that the neoliberals espouse.

The "compensation hypothesis" posits just the reverse effect. It focuses on the role of the welfare state as a mechanism for offsetting the social costs of economic globalization and contributing to the development of human capital. This hypothesis is supported by studies that show a very strong empirical association between economic openness, large public sectors, and a generous welfare state (Cameron 1978; Katzenstein 1985; Rodrick 1997; Garrett 1998).

The main tenets of the compensation thesis are as follows: first of all, increasing exposure to trade is likely to increase the possibility of political instability and a backlash against market-oriented economic policies. For state elites, there is thus an incentive to ward off such threats by providing welfare transfers to social sectors or geographic regions that have fallen behind in the process of neoliberal change. Second, increasing social spending might enhance the skill level and productivity of the labor force. The active labor market policy of Scandinavian welfare states is a good case in point. An active labor market policy provides unemployed workers with job training and job placement, as well as income support, which enhances their skill level and facilitates industrial restructuring. Moreover, as Huber and Stephens (2002) point out, countries with a comparatively equal income distribution and low levels of poverty get a higher return on their investment in education, since children from poor backgrounds are more likely to have the same supportive environment at home as those from middle-class backgrounds and above. This higher educational achievement level generates a labor force with higher literacy skill levels, and thus a greater capacity to meet the requirements of a knowledge-based economy. Accordingly, the compensation perspective argues that globalization does not necessarily lead to the shrinking of the welfare system, and that the effective operation of welfare systems of existing welfare states will lead to a growing divergence between welfare regimes and capitalist economies, to the advantage of the welfare regimes.

Production regime theory and the labor market

Another interesting theoretical perspective regarding the diverse responses of the advanced welfare regimes to globalization is that different production and labor market regimes lead to different outcomes (Esping-Andersen 1996, 1999; Soskice 1999; Iversen *et al*. 2000; Pierson 2000). That is because the institutional basis of welfare regimes is closely related to the institutional features of the individual nation's productive systems and labor markets. They are like both sides of the same coin. Esping-Andersen's three types of welfare regimes (liberal, conservative and social democratic regimes) are based on the interweaving effect of different production strategies, labor markets and political coalitions. Recently, Soskice's distinction between coordinated market economies (CME) and liberal market economies (LME) has been widely used to explain the

different strategies of Western industrialized countries regarding globalization and neoliberal pressures. According to this perspective, a state that carefully coordinates wage-bargaining between the business community and labor organizations tends to maintain institutional consistency and economic effectiveness in spite of the pressures of globalization, while liberal market economies relying heavily on a free market mechanism tend to adopt more intensive neoliberal strategies.

Domestic politics and diverse courses of welfare state restructuring

The above theoretical perspectives imply that there are divergent routes that modern capitalist states should take in response to economic globalization, not only in terms of welfare policy, but also in regard to productive and labor market policy. Indeed, whether each state should adopt "efficiency" or "compensation" strategies in general depends on domestic political economic institutions as intervening variables that condition the impact of globalization on the welfare state (Kay 1999; Neils 1999; Yang 2000; Kaufman and Segura-Ubiergo, 2001).

What we need to bear in mind here are the modes of political governance, coalitional dynamics and state capacity. The democratic mode of governance expands space for political maneuvers through which civil society can redress its concerns for social equality and welfare. Furthermore, political coalitional dynamics allow civil society to build a political power-base strong enough to translate its interests more directly into viable social policies. But the provision of social welfare ultimately rests on state capacity. Leadership commitment, technocratic competence and resource availability determine the nature, direction and performance of social policy. Therefore, the impact of globalization is neither uniform nor unidirectional across countries over time. Welfare consequences of globalization are very much contextual, being dictated by the dynamic interplay of domestic politics, institutional configuration and state capacity.

Indeed, the paths of welfare-state restructuring have never been uniform since the early 1980s, when the neo-conservative attack on the welfare state came into being with the advent of the Thatcher and Reagan governments.

While Anglo-Saxon countries such as the US, the UK, Australia, New Zealand and Canada have retrenched their welfare states, many Nordic and Continental European countries like Sweden, Norway, Finland, Germany and Austria have retained the core of their social welfare arrangements. The latter group also differs from the former in dealing with labor market reform. They distanced themselves from the strict neoliberal approach that tries to increase labor market flexibility even at the expense of social equality.

Moreover, Southern European countries such as Spain, Portugal and Greece expanded their welfare states, going against the international trend of downsizing the welfare state. Not only were the forces of globalization offset by the wave of democratization in the region, but also democratic governance was a catalysis for the rise of welfare states (Song Ho-Kŭn 2001). Post-Pinochet Chile

also witnessed the revival of some of its social democratic tradition in the social welfare and labor policy area (Haggard and Kaufman 1995; Sŏ Byŏng-Hun 1994).

In short, different countries have responded differently to the universal pressure of economic globalization. So, what strategy did South Korea adopt to cope with the pressure generated by globalization? And what was the result? Before we attempt to answer, a short overview of the development of the Korean social welfare system will be presented for a better understanding of the process of social policy reform under the Kim Dae Jung government.

The South Korean case

The pre-crisis welfare system in Korea[1]

The Korean developmental state (Park Jung Hee to Chun Doo Hwan governments, 1961–1987) constructed a "minimalist welfare system", a product of the developmental ideology of "growth first, distribution later". The dominant social paradigm was "welfare through work". Thus, the combination of economic growth, high employment and individual self-reliance served as the hegemonic social ideology during the period of the developmental state. Such ideology was shaped and sustained by the developmentalist coalition, composed of authoritarian politicians, technocrats, and leaders of *chaebŏls* (the conglomerates that dominated the private sector of the Korean economy) (Ahn Byung Young 1991; Lee 1993). Labor and other popular sectors were heavily repressed and controlled by the developmentalist coalition so that "politics against the market" was invisible. Thus, while the labor market was left unprotected except in some important export sectors, the state actively controlled industrial strategies in close coordination with big businesses.

The democratic opening in 1987, however, ushered in a new stage of social policy development in Korea. People's welfare demands erupted, forcing the government to accommodate such social pressures. The Roh Tae Woo government (1988–1992) enacted a minimum wage law and implemented a national pension program for private-sector workers. The Kim Young Sam government (1993–1997) that followed introduced an unemployment social insurance scheme and expanded the national pension program to farmers and fishermen.

Nonetheless, elected governments could not transcend the developmentalist social welfare paradigm and showed a high degree of policy and political continuity with their authoritarian predecessors. They were significantly constrained by the conservative ruling party, the state apparatus and the private sector (i.e. *chaebŏls*). There were no significant changes in the stances they adopted toward labor, or in the minimalist approach to social welfare (Haggard and Kang 1999).

Overall, the Korean state was eager to invest available resources in economic development. The state was willing to divert resources from the economy into social welfare only when it was conducive to economic growth and political legitimization. Table 9.1 presents a comparison of how much various

governments around the world were willing to spend on social welfare versus what they were willing to spend in other areas. In 1993, South Korea's per capita income reached $7,660, but the budgetary share for the health, housing, social security and welfare sectors out of total government spending was 8.7 percent. This figure is far below those of Chile (50.8 percent) and Brazil (35.2 percent), whose per capita income was $3,170 and $2,930 respectively. The Korean government's low commitment to social welfare could be explained partly by the high defense burden (20.1 percent). However, given that Israel's high defense burden (20.3 percent) did not lead to a low social welfare commitment, the trade-off between social welfare and economic services deserves attention. Among the 12 countries under comparison, South Korea showed the highest ratio of resources dedicated to economic services, accounting for 18.8 percent of total government spending.[2]

This low social welfare commitment is also reflected in the belated introduction of major social insurance programs. Table 9.2 underscores the underdeveloped nature of South Korea's social welfare system in comparative perspective. Work injury insurance and pension schemes for state and military personnel, which are the most mature in South Korea, were introduced in the early 1960s, almost 50 years later than in Brazil and Chile. Introduction of health insurance, a national pension scheme for private sectors, and unemployment insurance lags far behind that not only advanced industrial countries such as the United States, Japan, Germany and Sweden, but also developing countries such as Brazil and Chile.[3] In short, the Korean welfare system was far behind even in relation to its economic achievement. The government accepted limited responsibility for health, industrial injuries and pensions, and provided only minimal protection to those unable to participate in the labor market or to those with no family to rely on. Consequently, there has been a salient mismatch between the miracle economy and the social welfare system.

Moreover, the Korean social welfare system ran according to administrative expediency and political calculation from the top, rather than relying on direction from the popular sectors. Social insurance programs, for instance, were introduced to cover the military, government employees and big business workers to solicit loyalty to the state, while the neediest, such as urban marginals, informal sector workers and peasants, were excluded from the social safety net.

Nonetheless, this does not mean that welfare needs were not satisfied. The developmental state had deliberately developed a unique social welfare arrangement, which could be regarded as a "social contract" between the developmental state and the citizen for the past 40 years. In this implicit setting, social welfare demands involving health, housing, unemployment, old age and education were satisfied primarily through a fast-growing real income in the market, which was buttressed by stable employment, strong family ties and corporate welfare embedded in the Confucian cultural tradition (see Yang Jae-Jin 2001: Chapter 4).

Table 9.1 Governmental welfare commitment (% of central government budget, 1993)

Country	*Per capita income ($)*	*Defense*	*Education*	*Economic services*[a]	*Health (A)*	*Housing, social security and welfare (B)*	*A + B*
US	24,740	19.3	2.0	6.2	17.1	31.7	48.8
Germany	23,560	6.4	0.8	9.7	16.8	45.9	62.7
Denmark	26,730	5.0	9.8	7.2	1.1	41.3	42.4
Sweden	24,740	5.3	7.3	16.2	0.4	53.3	53.7
Austria	23,510	2.3	9.4	8.9	13.4	47.5	60.9
Netherlands	20,950	4.2	10.2	5.6	13.7	41.5	55.2
Singapore	19,850	24.5	22.3	11.5	6.1	9.0	15.1
Israel	13,910	20.3	11.9	10.6	4.1	31.3	35.4
S. Korea	7,660	20.1	16.8	18.8	1.5	7.2	8.7
Greece	7,390	8.9	8.5	9.4	7.4	14.7	22.1
Chile	3,170	9.1	13.4	14.6	11.5	39.3	50.8
Brazil	2,930	2.6	3.6	7.5	5.2	30.0	35.2

Source: World Bank (1995: 180–181), in Yang (2000, 89).

Note

Economic services comprise expenditure associated with the regulation, support and more efficient operation of business; economic development; redress of regional imbalance; research and trade promotion; and creation of employment opportunities.

Table 9.2 Timing of social insurance introduction

Country	*Work injury*	*Health*	*Pension*	*Unemployment*
Germany[a]	1884	1880	1889	1927
Sweden[a]	1901	1962	1913	1934
US[a]	1930	–	1935	1935
Japan[b]	1911	1927	1941	1947
Brazil[b]	1919	1923	1923	1965
Chile[b]	1916	1924	1924	1937
S. Korea[c]	1963	1977	1960/1988*	1995

Sources: [a]Flora and Heidenheimer (1981); [b]US Social Security Administration (1999); [c]Lee Hi-Kyung (1994) in Yang (2000: 91).

Note
* Year for the introduction of the Nation Pension Scheme for private sector workers.

The Kim Dae Jung government's productive welfare initiative[4]

The 1997–1998 economic crisis and productive welfare initiative

The economic restructuring that followed the economic crisis in 1997 produced serious negative effects on social equality and welfare for the majority of the population of Korea. The most immediate outcome was high unemployment due to that economic restructuring. The unemployment rate rose sharply, from 2.2 percent in July 1994 to 8.7 percent in February 1999, reaching 2 million – the highest since the Korean state had inaugurated rapid economic development in the 1960s. The economic crisis also brought about a significant change in the labor market structure in Korea. The ratio of full-time workers (i.e. the regular worker group) decreased from 56.6 percent in 1996 to 47.1 percent in the fourth quarter of 1999, while the ratio of part-time/temporary workers (i.e. "non-standard" worker group) increased from 43.4 percent in 1996 to 49.1 percent in 1998 and over 50 percent in 1999.

In short, no longer could workers assume their job was secure and stable; now, the "casualization of labor" prevails in South Korea (Gazier and Herrera, 2000: 332). Real wages also dropped significantly. In the third quarter of 1998, for instance, nominal wages dropped by 8.1 percent and real wages by 14.2 percent. The reduction in nominal wages in 1998 was the first in Korean economic history since wage data began to be collected. Soaring unemployment, casualization of employment and falling wages all aggravated poverty and inequality.

Although the new Kim Dae Jung government immediately expanded the employment insurance program to include workplaces with more than five employees, complemented by some temporary public assistance measures such as public work programs, it was clear that the old social welfare arrangements built on the assumption of high economic growth and full stable employment were incapable of coping with the consequences for the welfare system of the worst economic crisis in modern Korean history.

After three temporary welfare measures in 1999, President Kim Dae Jung announced a "productive welfare initiative" as part of his long-term plan for building a "Korean Productive Welfare State". This new initiative differed in several ways from the policies of the previous governments.

First, it recognized social welfare as a basic human right, and emphasized that the state is obliged to guarantee and protect that right. Second, the productive welfare initiative was predicated on the principle of welfare through work, and assumed a role of the private sector. It declared that "work is not only a means of earning a living, but an essential means of attaining a sense of satisfaction and value, i.e., attaining dignity". (Office of the President 2000: 9). Finally, the productive welfare initiative wielded social welfare policy as an instrument for enhancing social integration by balancing the needs and consequences of both sustained economic growth and participatory democracy (Office of the President 2000: 7–17). In a sense, this new social welfare policy was a contradictory mixture of an emphasis on state protection and solidarity, on the one hand, and the role of the private sector and workfare in the provision of social welfares, on the other.

We will note later in this chapter that the Kim administration's social policies as implemented did not fully meet the ideals of productive welfarism. Nonetheless, they signified a departure from the previous social welfare paradigm in Korea.

Social policy change in the Kim Dae Jung government

The Kim Dae Jung government made some visible progress despite the inherent limitations placed on it by institutional legacies and the pressure of globalization.

COVERAGE EXPANSION OF FOUR MAJOR SOCIAL INSURANCE PROGRAMS

First of all, one of the important features of the productive welfare initiative was that the new government provided comprehensive coverage in its statutory social insurance programs, such as unemployment insurance, national pension and industrial injury insurance. It did so by expanding coverage to the marginal sector of the population, which is usually considered as being very difficult to bring under the protection of social insurance programs.[5]

The coverage of the Employment Insurance System was initially limited to workers in companies with more than 30 employees. It was rapidly expanded in four steps: in January 1998, to firms with ten or more employees; in March 1998, to companies with more than five workers; in October 1998, to enterprises with fewer than five workers (that is to say, to all companies); and finally, in July 1999, temporary workers (employed for at least one month per year), part-time workers (working more than 18 hours a week) and day workers (who work less than 30.8 hours a week) were covered (Gazier and Herrera 2000: 344).

The state-administered national pension and work injury schemes also expanded. The National Pension System expanded to include about 10 million self-employed persons and workers in companies with fewer than five employees (half of the economically active population), from the previous 4.9 million company employees, and 2.1 million farmers and fishermen. Industrial injury insurance, which had covered 7.5 million workers in industrial firms with five or more employees, was extended to include additional 1.6 million workers in small businesses with four or less employees in July 2000. Employees of small businesses also became eligible for the work injury insurance scheme.

Since medical insurance had already begun to cover the entire population in 1989, four major statutory social insurance programs now covered all workers both in the formal and informal sectors.[6] This universal coverage is quite unique among developing countries, and the speed at which the statutory social insurance programs had expanded since they first were implemented is extraordinary among countries with universal coverage (Kim Yŏn-Myŏng, 1999).[7]

Another significant feature of the Kim Dae Jung government's welfare reform was the way it wove the nation's social safety nets: it attempted to unify fragmented welfare systems, aiming at social integration and solidarity. An aggressive reform of medical insurance is the case in point. The Kim Dae Jung government unified various medical insurance plans, which had been divided into separate plans run by 142 insurance associations serving company employees and 227 regional insurance societies for general citizens including the self-employed, not to mention separate administrations for public employees and private teachers. Under the integrated health insurance scheme, the same standard of contribution and benefit was applied nationwide.

The Kim Dae Jung government also expanded the national pension into an integrated monopillar system, nullifying the previous Kim Young Sam government's plan to split the national pension system into an earnings-related scheme and a basic pension scheme, and to place them under different financing and payment arrangements. However, the new welfare initiatives were tarnished by low effective coverage rates and low levels of benefits (Cho Yŏng-Hun, 2001; Chŏng Mu-Kwŏn, 2002). As discussed above, coverage of the four major statutory social insurance schemes was extended to all working places. Therefore, the coverage should have been universal. However, the effective coverage rates fell well short of expectations due to a huge shortfall in contributions and a lack of effective monitoring capacity. As Table 9.3 reveals, at the beginning of the new century effective coverage rates were still modest, and especially so for "non-standard" workers. In many cases, small businesses and low-income "non-standard" workers could not afford to contribute to the various insurance schemes, resulting in their exclusion from its benefits. Moreover, the high-income self-employed either attempted to hide their real incomes in order to take advantage of the free-rider problem built into the social insurance program, or intentionally avoided making contributions because they were suspicious of the long-term viability of the social insurance programs.

Although it is desirable that coverage rates will increase as the newly

Table 9.3 Effective coverage rate

	Pension (%)	*Healthcare (%)*	*Unemployment (%)*	*Severance payment (%)*
Regular workers	92.7	94.8	80.0	94.3
Non-standard workers	19.3	22.2	20.7	13.6
Average	51.8	54.3	46.9	49.0

Source: Chong Mu-Kwon (2002).

expanded systems mature, it is difficult to be too optimistic, since the Korean government still has no appropriate administrative capacity to carry out massive social welfare schemes. Just as state social welfare systems were underdeveloped during the past developmental state era, so were state social bureaucracies. They lack essential administrative resources such as experienced personnel and organizational expertise. What is worse is that the Korean government has no appropriate monitoring capacity to prevent evasion, especially among small companies and the self-employed. The Korean government may be eventually able to build effective administrative capacity and to enforce collection of contributions, but, given the casualization of the labor force after the economic crisis in Korea, it will take a longer time than it would otherwise and in the meantime a huge loophole will remain.

The second area of concern is the low benefit level. The unemployment benefit, for instance, is half of the worker's salary during the month prior to the dismissal. This modest target benefit level aside, the effective income replacement is bound to be lower because the unemployment benefit is based on regular earnings only.[8]

ENACTMENT OF THE NATIONAL BASIC LIVELIHOOD SECURITY ACT

A visible change was also seen in the field of public assistance, a breakthrough to guarantee a national minimum standard of living as a social right. The four major social insurance plans generally base eligibility for pensions and other periodic payments on the length of employment or self-employment. Although a redistributive function is built-in in the case of health insurance and national pension, the amount of pensions (long-term payments) and other periodic payments (short-term) in the event of unemployment, sickness or work injury is usually tied to the level of earnings. Thus, they are insufficient and inefficient social safety nets for urban and rural marginals and those without work capacity. In order to deal with that gap, the Kim Dae Jung government renovated public assistance programs through the enactment of the National Basic Livelihood Security Act in August 1999.

The former plan had not not provided allowances to people capable of working, even if their incomes were less than the minimum cost of living. Now the needy, even though capable of working, received a monthly benefit from the

government equivalent to the difference between their real income and the minimum cost of living under any circumstances. Although the new law requires recipients to continue to seek or train for jobs, it marks a radical departure from the previous Elizabethan-Poor-Law style public assistance program, which distinguished the deserving from the non-deserving poor and protected only the former. The number of people receiving government allowances for livelihood assistance tripled to 1.52 million from the previous level of 0.54 million.

However, despite the legal rights guarantee of a minimum income, a strict means test still excludes many "deserving poor" from receiving benefits; for example, the poor who have family members – broadly defined – who are able-bodied and able to work do not receive benefits. Household incomes and other government allowances such as unemployment benefits and medical expense subsidies are subtracted from the modest allowance[9] (Minister of Health and Welfare 1999). As a result, the actual cash transfer is much smaller than desired. Moreover, paid sick leave and family allowances, which are now common in mature welfare states, are yet to be provided.

INTRODUCTION OF SOCIAL CONCERTATION

Unlike in the past, when civic movement groups and labor were ignored and denied a voice by authoritarian regimes, the Kim Dae Jung government attempted to establish institutionalized consensus-making by including them among core members of its inner circle and empowering them with new participatory roles in social and labor market policy-making as well as in the improvement of the business–labor relations.

The Tripartite Commission was an exemplar of this approach. Upon his election, president-elect Kim Dae Jung formed a tripartite national council comprising the representatives of government, business and labor. After a month of negotiations, the Tripartite Commission reached a total of 90 historic agreements on structural adjustments and burden-sharing, in which labor organizations agreed to more permissive rules on layoffs and the employment of temporary workers in return for government pledges to improve labor rights, fight unemployment (through public works programs and subsidies to unemployed workers) and weave an extensive social safety net (Moon *et al*. 1999: 82–96). This achievement might surprise those who favor the efficiency hypothesis, and is in sharp contrast to the weakening of societal corporatist arrangements seen in advanced Western welfare states. However, as we know, corporatist institutional arrangements were still effective and maintained in most European welfare states even as they restructured their labor markets and welfare programs.

On the other hand, in the Korean case we cannot help but notice the unstable and ad-hoc nature of the Tripartite Commission. This consensus-making organization was quite effective right after the economic crisis as a means of crisis management. This was the case even though Korea did not have many of the elements essential to institutionalize consensus-building among government,

business and labor, such as a strong labor organization, a high rate of unionization, strong left-wing parties, a willingness by business to compromise with labor, and so on. Nonetheless, given the centralized organizations of business and labor developed as a result of the state-led industrialization, the economic crisis along with the enhancement of democratization provided an historical juncture for institutionalizing a consensus-making organization. However, this consensus-building mechanism began to weaken when the Korean economy quickly recovered and the pressure to compromise caused by the economic crisis ceased. Labor came to doubt the effectiveness of the tripartite committee, as the many promises, especially commitment by the government and business to employment security, were not met. Businesses had no incentive actively to participate in it, once they had acquired labor market flexibility from the initial agreement. Above all, the government's inconsistent policy and the lack of a commitment to the institutionalizing of the tripartite committee contributed to its instability.

LABOR MARKET REFORM

The Kim Dae Jung government improved labor market flexibility through more permissive rules on layoffs and dispatch work. This policy was consistent with the government's neoliberal economic restructuring and the need to respond to the pressure of economic globalization. As mentioned above, "non-standard" labor began to increase rapidly after economic structural adjustment began, though labor market flexibility for the "regular" workers in the strongly unionized sector did not increase as much. This implies a further stratification within labor as well as broader social inequality, creating a serious barrier to social cohesion and integration in the future.

To offset this trend, however, the government strengthened labor rights in several areas. Civil servants were allowed to form workplace associations, teachers' unions were permitted, the KCTU (Korean Confederation of Trade Unions, the then outlawed leading organization of democratic unions) was legalized, and political activities of labor unions were permitted, to name but a few (OECD 1999: 158–159). However, the effects of these measures were not immediate, requiring long-term implementation to have much effect. A more serious problem was that the ambitious expansion of coverage as a compensatory measure was made more difficult by the rapid expansion of the ranks of the contingent employees, since one of the major policy goals of the expansion of coverage was to protect hitherto excluded "non-standard" workers.

The new public assistance program does not yet guarantee minimum incomes as a social right because many of those who deserve and need assistance are still excluded. This discrepancy between the government's impressive welfare measures and their actual implementation is rooted in Korea's distinctive labor market structure: the large portion of "non-standard" workers in the labor sector and the large number of self-employed in the economically active population (30.6 percent as of 2000; National Statistics Office 2001). It would be very

difficult for welfare reforms to protect the marginal sector without a substantial improvement in the ability to monitor the incomes of the self-employed, and in the ability to ensure that marginalized workers actually contribute to the various insurance programs.

All in all, despite remarkable formal institutional expansion, the faltering expansion of actual coverage is highly likely to end in cementing stratification, which would hamper social integration. Moreover, the Kim Dae Jung government did not make much progress toward eliminating differences across income levels due to low levels of effective coverage and benefit. Therefore, as Chŏng Mu-Kwon (2002) points out, the Korean social welfare regime has grown in the direction of the conservative/corporatist welfare regimes of Continental Europe in terms of formal institutional arrangement, while the performance of the Korean welfare regime is in effect closer to the liberal Anglo-American regime. In short, the productive welfare initiative has fallen short of bringing about a complete paradigm shift from the developmental state to a welfare state in South Korea.

Making sense of the productive welfare initiatives: enabling conditions and institutional barriers

In the name of productive welfarism, the Kim Dae Jung government initiated major reforms in the welfare system to bring marginal groups within the public social safety net. Formal social security programs now reach those previously excluded workers in small businesses with four or less employees and low-income marginal workers. These programs were erected on the principle of income redistribution, universalism and solidarity in the name of social integration. Plus, public assistance programs and labor laws were overhauled to enhance social and labor rights. Social policy-making, including labor market policies, is also no longer the preserve of the government and business alone, as is seen in the activities of the Tripartite Commission. Progressive civic movement groups and labor participate actively in social policy-making. Indeed, the government's social expenditures have been soaring. Under the Kim Dae Jung government's productive welfare initiatives, the government social welfare budget[10] almost tripled in just three years, from 3.1 trillion won in 1998 to 8.1 trillion won in 2001 (*Chosun Ilbo* 2001–01–28, in Yang Jae-Jin 2001).

What made such remarkable change possible? Plus, why did such remarkable change fall short of realizing the ideals of productive welfarism? The answer might be found in the contingent dynamic interaction among the domestic political economy goals of the Kim Dae Jung government, the institutional legacies of the developmental state or earlier administrations and the pressure of globalization. Here, I will discuss the enabling conditions for extensive social welfare reform, and then add some discussion of institutional and structural barriers to reform.

First of all, a primary condition was the nature of the political coalition that formed the basis of the Kim Dae Jung government (Yang 2000). A realignment

of the power structure generated a fundamental change in the social policy-making process, critically contributing to the strengthening of social safety nets. From the beginning, the Kim Dae Jung government faced the complex task of maintaining its main support base of the lower-middle and working classes amid the sweeping liberalization of the Korean economy demanded by the IMF and the World Bank. In the economic policy area, neoliberal adjustment policies were a continuing source of tension between the government and labor or, to a lesser degree, civic organizations. As far as social policy was concerned, however, there was no serious disagreement over the government's plans to expand social welfare as compensation for neoliberal structural adjustment, or, more precisely, as glue to hold together its support base, which could have fallen apart during the neoliberal economic reform period.

Unlike in years past, when civic movement groups and labor were ignored and excluded from any significant role in policy-making, the Kim Dae Jung government made them members of its inner circle and allowed them to participate in making social policy. Their degree of participation varied, but the most striking difference from the past was their regular participation as standing members of a variety of policy committees of the Ministry of Health and Welfare and social insurance administrative bodies. They evaluated, approved or vetoed government proposals, and even initiated new programs. For example, the controversial National Basic Livelihood Security Act enacted in August 1999 was espoused and proposed by the most outspoken liberal civic movement group, the People's Solidarity for Participatory Democracy (PSPD), and its allied forces, including other prominent NGOs and the KCTU, the leading organization of democratic labor unions (Ahn Byung Young 2000). In this sense, a pro-welfare social policy network was established by creating formal links between these groups on the one hand, and the ruling party and the Senior Secretary for Welfare and Labor (formerly Senior Secretary for Social Development) of the Blue House (i.e. Office of the President) on the other (Shin, 2000; Yang 2000: Chapter 7).

However, it should be noted that the ruling party consisted of people with a great variety of ideological coloring. Only some of the ruling elite were progressive and concerned with welfare reform. The majority were conservative. Although the MOHW, a major state welfare bureaucracy, often became a coalition partner with progressive social reformers, its officials were often opportunistic and had different reasons based on their bureaucratic interests for forming such alliances. Furthermore, the economic bureaucrats, who occupy the commanding height of the state bureaucracy with their control of economic policy and the state budget, still retained considerable influence on social policy-making, especially the implementation process.

President Kim Dae Jung could not command strong backing from his own party for his productive welfare initiative because, although it was the most progressive major party in the conservative Korean political milieu, the ruling party was not by nature a leftist party. More importantly, the ruling party was not well prepared for embracing the ideals of productive welfarism, since it lacked a

coherent ideology. Therefore, ill-formed social policies were implemented, and that provoked an unnecessary backlash from the public.

The second set of important enabling and constraining factors were the poor quality of the previous welfare system and the pressure of international financial institutions such as IMF and the World Bank. International lending institutions are traditionally known to impose neoliberal reforms without regard for negative social welfare consequences. In the case of South Korea, however, both institutions were quite attentive to social welfare issues, because they were worried about the underdeveloped social safety nets of Korea, which would hamper the smooth implementation of neoliberal structural adjustment. Therefore, the US $2 billion structural adjustment loan by the World Bank to South Korea, for instance, laid out conditions calling for strengthening of the social safety nets: the extension of unemployment insurance to employees in small-scale enterprises and the overhaul of the nation's pension and health insurance systems (World Bank 1998a, 1998b). It should be noted, though, that the international financial institution's backing for vigorous social welfare reforms was not for social development itself. It was a precondition for smooth neoliberal economic reform.

Third, although the meager social safety nets of the previous developmental state provided the reason for massive social welfare reform, the government had to fight against the legacies of the developmental state and the resistance of the conservative groups embedded in the previous institutional structure. The dominant social paradigm of "economy first and distribution later" is embedded in the minds of national elites in state bureaucracies, business and the press. For example, conservative economic bureaucrats, who control the national budget, sought to minimize the financial burden of new social welfare programs by putting the stamp of their conservative views on the implementation stage when detailed procedures were formulated. Moreover, the vested interest groups embedded in the previous welfare system, such as the business, the middle class and the workers of the former social insurance organizations, strongly resisted the welfare reforms.

Fourth, the low performance of welfare reform was often aggravated by a mismatch between ideological excessiveness on the part of civic movement groups, which strongly supported the productive welfare initiative and espoused and designed many social policies, and the lack of sound bureaucratic and pragmatic principles to guide implementation of the reform measures. Ideological rigidity often undermined administrative rationality and policy feasibility, provoking public outrage from the middle class at the stage of implementation. Under the strong redistributive mechanism of Korean social insurance schemes, expansion of coverage to embrace the lower class entailed a massive income transfer from the middle class to the lower strata. Therefore, it was inherently very hard to garner political support from the middle class for the productive welfare initiative. Under the circumstances, an ill-prepared expansion of coverage and the resulting large-scale evasion of required contributions, coupled with false income reporting, called into question the feasibility of income redistribu-

tion through social insurance programs, weakening political support for the productive welfare initiative.

Finally, a labor market structure with a high portion of "non-standard" workers and the self-employed became an important structural barrier to the effective expansion of the social insurance programs to the marginal sector. Although social insurance programs were expanded to protect workers hit by neoliberal labor market reform, ever-increasing non-regular employment made all the government's efforts less effective that they would have been otherwise.

In sum, the compensatory welfare reform was a historic turning point in the development of the Korean welfare state. Korea appears to be an anomaly in the global trend toward a retrenchment of the welfare state. Yet South Korea's nascent welfare state has faltered due to developmental legacies, the absence of consolidated coalitional political support, often-excessive ideological input into social policy-making, low levels of administrative capacity, and casualization of the labor market.

Conclusion

In the golden age of economic prosperity and political stability during the 1950s and 1960s, it was relatively easy for governments to pursue their Keynesian interventionist policies of the full-employment welfare state, without the fear of undermining macro-economic performance. These days, however, it is widely believed that globalization has shifted the post-war balance between capital and labor and has contributed to a weakening of the state's autonomy in the formulation of its own social agenda.

However, the Korean case suggests that the rationale for social welfare has not eroded even in the era of globalization, and that nation-states still retain a considerable level of policy autonomy, sufficient to construct distinctive social welfare systems (Yang 2000: 205–208). Even at the heart of the economic crisis and its aftermath, the Kim Dae Jung government could deploy a variety of policy instruments to shelter victims from the competitive risks of the international economy. Behind this move lay President Kim Dae Jung's political leadership and the active participation by civic movement groups and labor. In this regard, it is important to note that democratization by and large provided a nurturing ground for the development of a welfare state in Korea, offsetting the negative consequences of economic globalization. Recognition of the underdevelopment of the Korean social safety nets and the sympathetic attitude of the international lending institutions were also favorable for vigorous social welfare reform.

Yet, realizing a mature welfare state in Korea is a very challenging task. As discussed above, the new welfare initiatives were tarnished by low levels of effective coverage and low benefit levels. Moreover, uneven income distribution and stratification remain almost the same, despite ambitious social reform. Neoliberal labor market reform posed one of the biggest challenges to the materialization of a mature Korean welfare state. And more importantly, structural

barriers such as developmentalist legacies may not be soon overcome. The Kim government's productive welfare initiative in response to globalization could not easily accomplish its ideological goal of social integration and solidarity. It handed over to the next government, that of Roh Moo Hyun, the task of improving administrative capacity and garnering public support. It also left to the next administration a need for more efforts to protect "non-standard" workers in order to build a mature welfare state in South Korea.

Notes

1 This section draws heavily on Yang (2000).
2 Korea also stood out for its commitment to public education. The Korean government poured into education twice the amount it spent on social welfare. Indeed, South Korea represents a classical example of the developmental state where the government channeled available resources preferentially into economic and human resource development. Singapore, another tiger economy, shows a similar pattern: a combination of a relatively low social welfare commitment and high investment in economic services and education.
3 Developmental strategy is critical (Kim 1996; Haggard 1990). Unlike Latin American newly industrialized countries where inward-looking import-substituting industrialization provided a safe haven for profit-making for local entrepreneurs, Korea's outward-looking export-oriented industrialization necessitated price competitiveness in the world market. In Latin America, producers could pass social-welfare related labor costs on to consumers, but in Korea, an increase in labor costs would directly hamper international competitiveness. Therefore, the economic imperative was that social insurance programs should be delayed as long as possible.
4 This section draws mainly on Moon and Yang (2001), and Chŏng Mu-Kwon (2002).
5 From 1998, national health insurance already covered the entire population.
6 Besides, the Labor Standard Law has been in effect in the small-sized working places with less than five employees since 1999. Therefore, hitherto excluded marginal workers are now protected by the government. The minimum wage system, which took effect only in the firms with ten workers or more, was also extended to cover workplaces with five workers and more in September 1999. Thus, about 85 percent of all workers are now protected by the minimum wage system (Shin 2000).
7 In Korea, it took only 12 years from its introduction for medical insurance to reach the whole nation, by 1989; it took four years for employment insurance (by 1998); 11 years for the national pension (by 1999); and 37 years for industrial injury insurance (by 1999).
8 Employee compensation in Korea is composed of three components: regular earnings, bonus, and overtime payments. For blue-collar workers, the regular earning portion is anomalously small and bonus and overtime payments account for almost half of monthly earnings because employers and employees have the same interest in reducing tax payment and insurance contributions, which are based on regular earnings (*Han'guk kyŏngje* 1999–11–06).
9 As of 2000, the monthly allowance is 324,000 won or 270 US$ (1200 won = $1).
10 The social welfare budget is limited to core government commitments – i.e. expenditures on four major social insurance schemes, the National Basic Livelihood Program, and social service institutions. Thus, it excludes spending on other welfare measures, such as active labor market policies and public works.

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10 Paradox or paradigm?

Making sense of Korean globalization

Gi-Wook Shin and Joon Nak Choi

Introduction

In an annual rite of spring, a handful of American universities host an unlikely spectacle. Nearly a hundred high-school students, dressed in traditional Korean attire, march through campus in orderly lines. At least at Stanford, this procession feels out of place; the group's Confucian decorum clashes with Californian casualness. So, it can be surprising to find that many of these students have already gained acceptance to one or more elite American universities, and are in the process of choosing between them.

These students come from the Korean Minjok Leadership Academy (KMLA), Korea's "Eton". The KMLA has become very good at placing its graduates in elite universities. Of the 86 members of the 2006 graduating class, more than half matriculated at Ivy League institutions and their equivalents, and the remainder matriculated at the top four (South) Korean universities (see the KMLA website at http://www.minjok.hs.kr).

Interestingly, the KMLA curriculum combines English-language education with an emphasis on national identity. Most Koreans believe that English-language fluency is essential for securing Korea's position as an advanced country. Thus, they consider mastery of this global language an essential skill for their future leaders (Kwak Tae-Jung 2001). The KMLA teaches most of its courses in English, and requires its students to use English outside the classroom. Furthermore, the school is hiring foreign teachers, planning for 30 percent of its faculty to be foreigners by 2012. Yet, because its goal is to produce leaders for the Korean nation, the KMLA simultaneously emphasizes Korean national identity, teaching a curriculum that includes Confucian ethics, indigenous music and traditional rituals. Every morning at 6 am, students dress in traditional Korean clothing, gather in front of a reconstructed shrine, and bow deeply to their teachers. After this ritual, each student must practice Korean traditional musical forms and/or sports before heading off to classes taught in English. This combination of global language and traditional identity produces spectacles like traditionally-clad foreign teachers, and Confucians in California. More importantly, it exemplifies a larger trend visible in Korea today: the fusion of nationalism and globalization, seemingly contradictory forces.

Globalization has had an undeniable impact on the Korean economy. Since the 1997 financial crisis, Korea, Inc. has implemented structural changes intended to enhance its global competitiveness. Leading Korean companies have grown into true multinationals, heavily committed to their overseas businesses. Recent headlines illustrate this trend. For instance, steel giant POSCO is investing US$12 billion in an Indian steel mill, and the LG Group is finishing construction of a "second headquarters" in Beijing. Simultaneously, the Korean economy has opened up. Foreign investors now own 40 percent of the Korea Stock Exchange's equity value. Also, foreign companies are increasing their domestic presence – for instance, American insurer AIG is building the tallest building in Korea, to house the Asian headquarters for one of its affiliates. Finally, the Korean government is taking steps towards making Korea a command-and-control nexus in the global economy, fostering logistic, financial and international business hubs (Lee 2004). Free trade agreements (FTAs) are a key component of this plan. Korea has signed FTAs with Chile, Singapore and the United States, and is currently negotiating one with the European Union.

Globalization has also made a visible impression on Korean society and culture. Koreans now travel widely; in 2004, a fifth of the entire population went abroad. Koreans also seek overseas educational experiences; they now comprise the fourth-largest foreign student group in the United States, and the largest in China – by a large margin. Korean consumers increasingly consume foreign food and clothing brands; for example, Korea is said to have the world's largest Starbucks branch. Just as importantly, Koreans are embracing English, the global language. For instance, a growing number of college classes are taught in English, and many Korean companies evaluate potential employees using English proficiency tests (e.g. TOEIC). A growing number of Koreans propose to go even further, and make English the nation's second official language.

Paradoxically, such extensive globalization has not weakened Korean nationalism. For instance, the 2002 and 2006 World Cup tournaments triggered a massive popular demonstration of Koreans' continued pride in their ethnic nation. Millions of Koreans came out to the streets to cheer for the national soccer team, shouting "*taehan min'guk*" ("Republic of Korea" or, literally, "the Great Han People's State") and "*uri nŭn hana*" ("We are One"). After Korea's victory over Spain, putting the team in a semifinal showdown with Germany in the 2002 World Cup, President Kim Dae Jung (*Asia Times Online* 2002–06–25) proclaimed the day to be "Korea's happiest day since Dangun [Tan'gun] – the god-king who, according to legend, founded the Korean nation".

Also, Koreans still conceptualize nationhood according to shared ancestry. A 2000 survey revealed that 93 percent of the respondents agree that "our nation has a single bloodline" and 83 percent agree that Korean descendants living abroad still belong to the Han (Korean) ethnicity, even if they have become citizens of a foreign country. Furthermore, South Koreans feel greater affinity towards Korean descendants living in Japan (62 percent) and the US (63 percent), than towards Japanese (18 percent) or American (17 percent)

descendants living in Korea. In both Koreas, ethnic identity – a sense of shared ancestry – is still a defining feature of unification discourse and policy (Shin 2006).

How can we explain the coexistence of these seemingly contradictory trends? When evaluating Korea's globalization, Samuel Kim laments that "despite the rising globalization and globalism chorus, deep down Korea remains mired in the cocoon of exclusive cultural nationalism, [which] acts as a powerful and persistent constraint on the *segyehwa* [globalization] drive" (Kim 2000: 263, 275). In his view, "no fundamental learning – no paradigm shift – has occurred in the course of Korea's *segyehwa* drive, only situation-specific tactical adaptation" (Kim 2000: 275). Kim is right – no paradigm shift has occurred, and Korean globalization remains subservient to nationalist goals. Yet he is also wrong. In contrast to his claim, nationalism has not been a *constraint* on Korean globalization, but rather a *motivation*. Koreans see no inherent contradiction between nationalism and globalization; rather, they view globalization as an instrument serving nationalist goals. In fact, Koreans initiated globalization with a clear nationalistic agenda.

In this chapter, we examine the interplay between nationalism and globalization. Examining the Korean case, we find that globalization triggers a reaction which actually *intensifies* ethnic identity. Also, we find that the nationalist appropriation of globalization mediates between nationalism and globalization, and facilitates their coexistence.

Research objectives

Before introducing our theoretical framework, we situate our research objectives in the broader globalization literature. In academia, "globalization" has become a popular buzzword, appropriated by different disciplines in different ways. Thus, globalization has come to mean different things to different people, creating confusion regarding its meaning and usage. Thus, it is worthwhile explaining how our contribution fits.

There is a consensus that globalization arose from *time–space compression* (Figure 10.1, *A*). Improved transportation and communication technology, along with social forms leveraging these advances, reduces the experiential distance across different points in space (Harvey 1989; Giddens 1990). Goods, information and people move across the world more easily and quickly, making interaction easier between distant localities.

Time–space compression allows *economic gains from trade* (Figure 10.1, *1a*). Economists (e.g. Ricardo 1911[1817]) have long argued that two partners can benefit from trade, even if one partner can produce all goods more cheaply than the other. However, such benefits have been largely theoretical; in the past, high transport and coordination costs limited international trade. As time–space compression reduced these costs, potential trading partners began to realize previously theoretical benefits, and trade volumes began skyrocketing. This effect has created a greater degree of *economic interdependency* among the world's

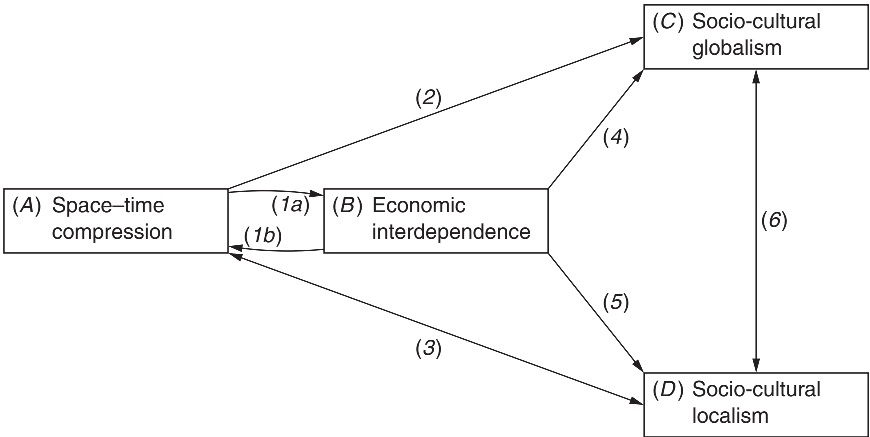

Figure 10.1 Economic and socio-cultural globalization overview.

countries (Figure 10.1, *B*; see Castells 1996). In turn, interdependency strengthens time–space compression (*1b*); once they see how much they can gain by trading, states and corporations make further investments in transport and communications infrastructure and research (Harvey 1989).

Globalization is said to produce institutional "convergence" across countries by imitation, competition and coercion. Time–space compression seems to create a greater awareness of other societies, and trigger worldwide socio-cultural convergence (Figure 10.1, *2*). Originally proposed by modernization theorists (e.g. Kerr *et al*. 1973), this argument has no lack of recent supporters; for example, Fukuyama (1992) argues that political and economic liberalism is destined to spread across the world. Similarly, world society theorists (e.g. Meyer *et al*. 2006) propose that national institutions will converge towards rational-legal ideologies (e.g. human rights) and organizational forms. Convergence is also said to be driven by growing economic interdependence (Figure 10.1, *4*). While international political borders remain clear, they have become permeable to vast financial and industrial activity flows. According to Ohmae (1990), the magnitude of cross-border activities in finance and industry has become so great that individual states' regulatory leverage may have virtually disappeared. Economists (Sachs and Warner 1995; Williamson 2004) propose that states adopting neoliberal institutions stand to benefit from transnational flows. While some developing states have voluntarily implemented their suggestion, many more have been forced to restructure their economies along these lines. For instance, several Asian economies were forced to dismantle their developmental states, and adopt neoliberal institutions, during the 1997 financial crisis (Wade 1998).

Consequently, many propose that global culture and cosmopolitan identity will replace national culture and ethnic identity (Figure 10.1, *C*). Koizumi (1993) argues that globalism will crowd out national identities based on one

land, one language or one race. Since the nation-state is built on nationalist ideology, it follows that the nation-state has outlived its usefulness in maintaining world order. Just as modernization theorists and Marxists predicted the demise of nationalism in the 1960s and 1970s (see Bell 1960), proponents of globalism expect late modernity's transnational forces to gradually supersede nations and nationalism.

Paradoxically, globalization is also said to exert a contradictory effect, reiterating localized cultures, social structures and identities. When facing threats, people find security in particularistic communities, like the ones based on nationality and ethnicity (Kuzio 2002). The threat of cultural disorder is no exception. When time–space compression results in greater familiarity with foreign cultures, nations and individuals may face a "disturbing sense of engulfment and immersion" (Featherstone 1993). Retreating from this threat, people find security in a national/ethnic sense of brotherhood (Figure 10.1, *3*). Economic globalization also seems to contribute towards this trend (Figure 10.1, *5*). Castells (1997) proposes that the losers from economic globalization use particularism as a means of organizing resistance against economic globalization. For instance, farmers in places as diverse as France, Japan and Korea have mobilized around their respective national identities to protest greater agricultural liberalization. In Korea, it is not uncommon to see farmers demonstrating to the tune of traditional drums.

Consequently, many propose that localized particularisms will not only survive, but also enjoy an explosive resurgence (Figure 10.1, *D*). Cross-national studies (see Evans and Kelley 2002) show that globalization has not eroded feelings of national pride and attachment. Further, as daily headlines demonstrate, ethnic identity and nationalism are anything but dead. Instead, these elements have critically shaped the social, political and cultural landscapes of these countries. Anthony Smith claims that "In the era of globalization and transcendence, we find ourselves caught in a maelstrom of conflicts over political identities and ethnic fragmentation" (Smith 1995: 2).

We seem to be faced with a paradox. How can globalization *simultaneously* foster globalism and reinvigorate particularism? This paradox has three possible solutions. First, advocates of *globalism* – who expect socio-cultural globalization – may simply be wrong. Hirst and Thompson (1996) claim that the current level of economic integration is *not* unprecedented, and that it cannot be expected to produce unprecedented convergence. Boyer (1996) sees the twenty-first century as an "epoch of nations" in which contradictory forces push simultaneously toward convergence and divergence. In this vision, no one model of a fully globalized nation dominates, and no single transnational global identity emerges.

Alternatively, advocates of *localism* – who expect a particularistic renaissance – may be focusing on the short run, and ignoring the long run. Even if ethnic and nationalist forces are thriving today, will they pass away once they have run their course? Hannerz (1991) suggests a scenario in which particularism survives in the short run, hybridizing with the global. However, he accepts

that this process can eventually lead towards convergence as, over time, the local hybrid absorbs more and more of the global. Eventually, the hybrid may converge with the global, and little of the local will remain.

Here, we emphasize a third possibility. The above debate investigates how globalism contradicts particularism, and vice versa. However, an equally important research topic is to explain how these forces *coexist*. Advocates for globalism and localism alike assume that the nation-state, nationalism, or national identity is antithetical to globalization. Consequently, they overlook the *interactive* nature of this relationship (Figure 10.1, *6*), which we explore in the next section.

Specifying the interplay of global and national forces

Social theorists have long proposed that globalizing and localizing forces have an interactive relationship. However, their insights have remained at a very abstract level. Robertson (1992) proposes that globalizing forces are appropriated through local culture; people mediate between the global and the local, by interpreting the global using local frames. Similarly, Appadurai claims that the instruments of homogenization are "absorbed into local political and cultural economies, only to be repatriated as heterogeneous dialogues of national sovereignty, free enterprise, fundamentalism, etc." (Appadurai 1990: 307). Giddens (1990) goes as far as to claim that local nationalisms are a consequence of globalizing forces, rather than its diametric opposite. Although they provide interesting insights, these theoretical works do not provide a level of useful detail. *How* do people use local frames to interpret and absorb the global? What are the mechanisms through which global forces are repatriated into the larger system? Most puzzlingly, how can local nationalisms be a *consequence* of globalization? Grand theory cannot answer such questions.

To build a more detailed understanding of the relationship between globalism and localism, we draw upon Huntington's (1996) work on modernization. Consider a non-Western country. Simultaneously faced with modernization and Westernization, this country must choose between three possible responses. The first is to reject both modernization and Westernization, and close its borders against Western influence. Alternatively, a country might believe that modernization is absolutely necessary, but incompatible with its indigenous culture. Such countries choose the second response: to embrace both modernization and Westernization, and jettison its indigenous culture. Still other countries might believe that modernization is necessary, desirable and achievable without substantial Westernization. Such countries view modernization as a useful *instrument* for advancing national interests, as framed by indigenous culture. They choose the third response: to embrace modernization, but reject Westernization.

This framework is easily extended towards understanding the globalism–localism relationship. The parallels between (Huntington's conception of) modernization and globalization run deep. According to Giddens (1990), globalization is the most recent manifestation of modernity; also, capitalism

drives both modernization and globalization. Thus, nations' responses to globalization have more than a passing resemblance to their reactions to modernization. Simultaneously, the adoption of neoliberal norms (Americanization) is simply the current form of the process Huntington calls Westernization. Consequently, it is reasonable to start with Huntington's framework, substitute *globalization* for *modernization*, and substitute *Americanization* for *Westernization*.

Consider this framework's implications for a country that has yet to Americanize or globalize. This country has three choices: rejecting globalization and Americanization, embracing both, or embracing the first and rejecting the second.[1] In the contemporary world, globalization has become taken for granted; few nations resort to the first option. On the other hand, few nations are willing to embrace Americanization. The third option seems most feasible and popular. This involves an instrumentalist perspective; globalization is viewed as a double-edged sword offering both opportunities and threats (see Guillen 2001). Like modernization, globalization can be proactively appropriated to serve national goals. Simultaneously, globalization is a threat to indigenous culture that has to be managed; when nations and individuals react against this threat, they intensify, rather than weaken, their attachment to ethnic/national identities. We propose that these mechanisms explain the coexistence of national and global forces in many parts of the world.

Appropriation of globalization

Modern Asian history shows that Japanese, Chinese and Korean nationalists all sought to appropriate elements of modernity, like science, technology and even the discourse of "civilization and enlightenment" (Fukuzawa 1973[1895]; Beasley 1990). In a practice labeled "defensive modernization", nationalists sought modernization as the primary means of defending their nations from Western aggression; thus, their ultimate goal was national sovereignty and independence, not modernization. For instance, Fukuzawa considered the West to have achieved a higher level of "civilization" but a lower level of "morality". Under a highly popular slogan, "Western technology, Eastern spirit", Asian nationalists sought to appropriate Western technology and science without altering their cultures' central values and practices (Tanaka 1993; Schmid 2002).

Just as their forerunners appropriated modernization, modern Asian nationalists actively appropriate globalization.[2] The defensive modernization experience parallels Korea's economic globalization drive. After the Cold War, Korean policy-makers recognized the need to enhance Korea's competitiveness in an increasingly global market. Under the *segyehwa* ("globalization") slogan, the Kim Young Sam administration tried to make Korean institutions more responsive to the global economy.[3] *Segyehwa* was only the first of many such initiatives. For instance, the Roh Moo Hyun administration implemented policies intended to enhance Korea's role as a global command-and-control nexus. The administration sought to enhance Korea's stature as a regional logistics hub by investing in transportation infrastructure. It also attempted to develop the capital

region into an international finance and business hub. The administration even formed a Presidential Committee devoted to attracting foreign direct investment (Lee 2004). However, the administration's willingness to open Korea to global economy and culture is most visible in its pursuit of free trade agreements (FTAs). After experimenting with an FTA with a minor trade partner (Chile), the administration has signed a more important agreement with Singapore. Emboldened by its experience, the administration attempted to negotiate an FTA with the United States – a nightmare scenario for economic globalization opponents.

Korea's globalization drive goes beyond state-led initiatives in the economic sphere. For instance, South Koreans are increasingly in favor of making English a second official language. As English is *the* global language and the language of the Internet, the general populace considers it a crucial instrument for enhancing Korean competitiveness in the global market (Pok Kŏ-Il 1998). However, it is important to note that English is not meant to replace Korean as the "national" language.

The Korean nation is by no means alone in appropriating globalization. Its rival, Japan, is also considering making English a second official language (Pok Kŏ-Il 1998). The Philippines provides another example. During his term in office, President Fidel V. Ramos argued that the state needed to institute policies to benefit from globalization. Ramos considers globalization a fact of life. Contrary to theorists pronouncing the nation-state's imminent demise, however, Ramos believed that the state had the capacity to mobilize society to maximize benefits from globalization. His plans sounded a lot like the Korean globalization drive; he wanted the state to provide "the rule of law needed to enforce market transactions and of helping mobilize the nation's resources for competitiveness in the global economy" (Ramos 1998: 4). Ramos made it clear that the Philippines needed to accommodate and appropriate global forces for greater national goals; to him, the state's main challenge was not to ignore or deny the presence of global forces, but to "seize the opportunities that globalization presents, while minimizing the nation's vulnerability to its risks" (Ramos 1998: 4).

A common thread runs through all of these examples. Regardless of whether we are discussing defensive modernization a century ago or current FTAs, the protagonists are motivated by a *social Darwinian* view of the world. How is this seemingly anachronistic concept relevant to globalization? As Figure 10.2 illustrates, social Darwinism facilitates the appropriation of globalization as an instrument serving national goals, which in turn facilitates an acceptance of globalization. It describes the world as an arena for fierce struggles among nations, where winners politically subjugate, culturally dominate and/or economically control the losers. Therefore, someone subscribing to social Darwinism will place great value upon instruments conferring upon their nations a competitive edge. Thus, a globalization advocate can recruit social Darwinians by portraying globalization as a weapon that the nation can wield in its struggles.[4] Consequently, we propose the following. To the extent that the nationalist appropriation of globalization is a strategy to survive in an increasingly

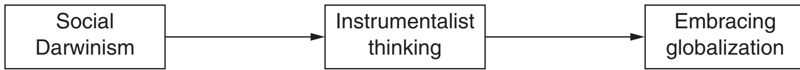

Figure 10.2 Social Darwinism effects on globalization.

competitive global arena, we expect that *the stronger one's social Darwinian understanding of the world, the more willingly one will embrace globalization* (Hypothesis 1).

A social Darwinian perspective prescribes that globalization be properly used, to create a competitive edge for the nation; otherwise, the nation-state may not survive cutthroat competition. It is important to note that globalization is not considered an objective having intrinsic value; it is merely an instrument serving national interests.

Anecdotal evidence supports Hypothesis 1. Scholars of modern East Asia have shown that social Darwinism shaped Asian nations' appropriation of modernization, starting with Japan's Meiji Restoration (Davis 1996; Lee 1978; Schmid 2002; Duara 2003). It appears that social Darwinism plays a similar role today. Mittleman (2000: 16) argues that "Today, competitiveness, or free-market competition, has been elevated to an ideology, and this icon represents an important element in the globalization matrix". In a world made smaller by time–space compression, such competition becomes more intense and takes on even greater salience.

While we believe social Darwinism to be widespread across the world, we propose that this concept is particularly useful in the Korean context. Korea's modern history has been marked by colonialism and foreign occupation. In the early twentieth century, Korea lagged behind Japan in appropriating modernization. Consequently, Korea was forcibly colonized by Japan. Even after liberation from Japanese rule, Korea was divided by the superpowers, and experienced a catastrophic civil war. Modern Koreans believe that this tragic history was the direct result of Korea's inability to compete in a Hobbesian world.

Intensification of national consciousness

Globalization is a double-edged sword. While it may be an instrument serving national interests, globalization may also threaten national cultures and identity. Faced with this threat, people begin re-emphasizing their national cultures.

Why? Smith (1995) suggests that globalization inevitably produces social and cultural disruption, which can take on crisis proportions. In times of crisis (e.g., immigration, foreign wars, terrorism), people find security in ethnic solidarity rather than civic universalism (Kuzio 2002). Thus, people look for solace in ethnic and national community. Unlike national identities, global culture cannot fulfill the crisis-induced need for rootedness, security and fraternity. Global cultures simply cannot offer "the qualities of collective faith, dignity, and hope that

only a religious surrogate, with its promise of a territorial culture and community across the generations, can provide" (Smith 1995: 160).[5] To the extent to which globalization is perceived as a threat, organic, ethnic and/or collectivistic notions of nation and society are likely to emerge – and prevail. Thus, we can expect that *the stronger one's sense of threat regarding globalization, the stronger one's national identity/consciousness* (Hypothesis 2A).

The Korean context offers ample examples of this effect. As globalization has surfaced as a perceived threat, many cities have initiated festivals celebrating their local cultural heritage.[6] Examples include folk festivals featuring highly localized rituals, village compacts, games, music and/or dance. These activities illustrate Korean efforts to defend their identities and cultures from the encroaching forces of globalization. It was claimed that

> Koreans cannot become global citizens without a good understanding of their own culture and tradition.... Koreans should march out into the world on the strength of their unique culture and traditional values. Only when national identity is maintained and intrinsic national spirit upheld will Koreans be able to successfully globalize.
>
> (Kim 1996: 15).

Additionally, the technologies underlying time–space compression can strengthen national identity. Contrary to globalist arguments, mass media and information technology do not necessarily promote American/Western cultural hegemony, or global cultural communities. Instead, they may promote ethnic/national consciousness, culture and values. Again, parallels to the modernization experience prove useful. While "print capitalism" underlay modernization, they also facilitated Benedict Anderson's (1983) "imagined communities". Similarly, the rise of modern information technologies in general, and the Internet in particular, has greatly raised national consciousness through two distinct pathways. First, the Internet provides opportunities for people to learn more about other cultures, which are consciously or subconsciously measured against their own cultures. Through this process, Internet users become more aware of their own cultural heritage, in much the same way as overseas travelers gain an increased perceptiveness of their homeland. In an ironic twist, a major driver of globalization ends up re-emphasizing national identities. Second, the Internet has proven an effective means of mobilizing people for nationalist movements. Rheingold (2002) coins the term "smart mob" to describe an unorganized mass of individuals mobilizing quickly and effectively to advance some cause. Unlike standard mobs, smart mobs coordinate their activities and share information through technology-facilitated social networks. For example, Internet message boards can facilitate the formation of a coherent community of diverse individuals who might have little in common except their interest in a shared issue. Thus, they enable people with divergent worldviews and experiences to come together and cooperatively pursue short-term goals. Therefore, smart mobs seem especially well-suited for mobilizing diverse coalitions around

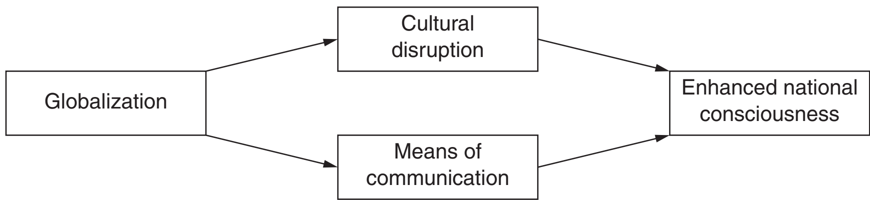

Figure 10.3 Globalization effects on national consciousness.

nationalist sentiments. Given these two pathways (illustrated in Figure 10.3), we propose that that: *the stronger one's exposure to information technology, the stronger one's national identity/consciousness* (Hypothesis 2B).

The Korean context represents perhaps the most visible example of this phenomenon. In an interview, Rheingold (2004) considered Korean "netizens" a leading manifestation of the smart mob phenomenon:

> Korea leads the world in broadband Internet access, and … the new generation of young netizens that helped elect [President Roh Moo Hyun] is beginning to see itself as a community – a community empowered by computers, the Internet, and mobile devices, and their skill at using them.
>
> (Rheingold 2004)

Interestingly, many of President Roh's online backers voiced strong anti-American tendencies, and used this issue to recruit additional netizens as Roh-backers. Later, netizens led the public opinion charge in disputes against China and Japan.[7]

Statistical evidence

In addition to this anecdotal evidence, we put our hypotheses into statistical tests, using two datasets. The first comes from Gi-Wook Shin's survey of 1,003 South Koreans, "National Identity and Unification" (henceforth labeled NIU), conducted from 11 October to 6 November 2000. The second is taken from a survey conducted of 1,000 South Koreans by the Korea Broadcasting System and Hallym University, "Korean National Network Community (KNNC)", conducted between 15 November and 4 December 1999.

Hypothesis 1 variables (social Darwinism effects on globalization)

We used the NIU database to test Hypothesis 1. Two statements measure the strength of respondents' social Darwinism: "The world is an arena of competition among nations" (*competition*) and "The survival of the fittest is a major principle of the contemporary world" (*survival*). Two other statements measure

respondent views of globalization: “It is good to acquire foreign language and culture from childhood” (*culture*) and “Foreign workers should be allowed to obtain Korean citizenship if they desire” (*citizenship*). We chose these statements since these phenomena (sending young children overseas for education; increasing numbers of foreign workers in Korea) have been two of the more visible and important globalization-related phenomena in the Korean context. Six variables serve as controls. In addition to the usual socio-demographic control variables (*age*, *gender*, *education*, *class* and *income*), we also used: “whether one has an experience of traveling overseas” (*tour*) and “Koreans should be allowed to marry foreigners if they love each other” (*intermarriage*).

Hypothesis 2A variables (threat effects on national consciousness)

We also used the NIU database to test Hypothesis 2A. One statement measures respondents’ sense of threat regarding globalization: “Globalization will weaken the power of a nation-state” (*threat*). Two statements measure respondents’ national consciousness: “Our nation has a single bloodline” (*blood*) and “In case of national crisis, national interests can be given priority over individual ones” (*collective*). We chose these statements because a sense of a shared blood has historically defined Koreans’ national identity, and because Koreans hold a collectivistic notion of nation given a historical experience of national peril (see Shin 2006). *Age*, *gender*, *education*, *class* and *income* serve as control variables.

Hypothesis 2B variables (information technology effects on national consciousness)

We used the KNNC dataset to test Hypothesis 2B. Proficiency levels with computers (*computer*), the Internet (*internet*) and email (*email*) indicate respondents’ information technology proficiency. One statement measures respondents’ national consciousness: “we are brothers and sisters, regardless of political ideology or regional residence” (*ethnic identity*). We chose this statement because Koreans believe that they share a single bloodline and thus belong to a unitary nation, an ethnically homogeneous and racially distinctive collectivity (see Em 1999; Shin *et al*. 1999). *Age*, *gender*, *education* and *income* serve as additional control variables; see Appendices 10.1 and 10.2 for details.

Methodology

We used ordered logit regression to examine how the independent and control variables affect respondent views of globalization. For each statistical test, this method is appropriate because the dependent variables are measured using an ordinal scale (see Winship and Mare 1984 for an explanation of this method).[8]

Findings: social Darwinism effects on globalization

Table 10.1 presents South Koreans' worldviews and perspective on globalization. Of the respondents, 81 percent agree that "the world is an arena of competition among nations", and 75 percent agree that "the survival of the fittest is a major principle of the contemporary world". With regard to Koreans' view of globalization, 61 percent of respondents agree that "It is good to acquire foreign language and culture from childhood", and 42 percent agree that "foreign workers should be allowed to obtain Korean citizenship if they desire". Taken together, these figures show that Koreans understand the world from a social Darwinian perspective, and hold a generally receptive attitude toward globalization.

How, then, does a social Darwinian understanding of the world affect Korean views on globalization? If Hypothesis 1 is correct, we should find that measures of social Darwinism have positive and significant effects on indicators of globalization. To test this proposition, we ran ordered logit regressions of two indicators of views of globalization (*culture* and *citizenship*) on two measures of social Darwinism (*competition* and *survival*). Table 10.2 shows that both measures of social Darwinism indeed have positive and statistically significant effects on both *culture* and *citizenship*, giving strong empirical support to Hypothesis 1.[9] In other words, the stronger respondents' beliefs in social Darwinism, the stronger their acceptance of, and/or support for, globalization.

Table 10.1 Description of Korean attitudes

On social Darwinism	
The world is an arena of competition among nations	81%
The survival of the fittest is a major principle of the contemporary world	75%
On globalization	
It is good to acquire foreign language and culture from childhood	61%
Foreign workers should be allowed to obtain Korean citizenship if they desire	42%
Globalization will weaken the power of a nation state	32%
On national consciousness	
Our nation has a single bloodline	93%
In case of national crisis, national interests can be given priority over individual ones	64%
Koreans are brothers and sisters regardless of political ideology or regional residence*	75%
On exposure to information technology	
Proficiency in computer use*	56%
Proficiency in Internet use*	38%
Proficiency in email use*	31%

Sources: Survey of "National Identity and Unification" conducted from 11 October to 6 November 2000 (n = 1,003); * Survey of "Korean National Network Community", conducted between 15 November and 4 December 1999 (n = 1,000).

Table 10.2 Effects of social Darwinism on globalization

	Globalization-related variables			
	Culture		*Citizenship*	
Independent variables				
Competition	0.34**		0.14*	
Survival		0.25**		0.14*
Control Variables				
Age	0.00	0.00	0.00	0.00
Gender	0.03	0.04	–0.18	–0.17
Education	0.14**	0.14**	0.00	0.00
Class	–0.03	–0.04	0.08	0.07
Income	0.03	0.03	0.03	0.02
Tour	0.18	0.16		
Intermarriage			0.57**	0.56**
Model Chi2	33.42	25.09	85.84	85.81
n	1,003	1,003	1,003	1,003

Notes
*$p < 0.05$; **$p < 0.01$; one-tailed.

Findings: threat effects on national consciousness

Table 10.1 also presents South Korean views on globalization as a threat, and their national consciousness. Of the respondents, 32 percent think that "globalization will weaken the power of a nation-state" and 93 percent of respondents "strongly agree" or "agree" that "our nation has a single bloodline", while 64 percent support the statement that "in case of national crisis, national interests can be given priority over individual ones". While only about a third of the respondents feel threatened by globalization, the majority hold an organic/collectivistic view of their nation/society.

How, then, does a sense of threat affect national consciousness? If Hypothesis 2A is correct, we should find that *threat* has positive and significant effect on indicators of national consciousness. To test this proposition, we ran ordered logit regressions of *threat* on two measures of national consciousness (*blood* and *collective*). Table 10.3 shows that *threat* indeed has a positive and statistically significant impact on both *blood* and *collective*, giving strong empirical support to Hypothesis 2A. In other words, the more threatened by globalization respondents feel, the stronger their national consciousness.

Findings: information technology effects on national consciousness

Table 10.1 also presents KNCC respondents' proficiency with information technology, and their perspective on globalization. Of the respondents, 56 percent, 38 percent and 31 percent, respectively, say that their computer, Internet and email skills are adequate or better than adequate.[10] Koreans also hold a

Table 10.3 Effects of threat perception on national consciousness

	Consciousness variables	
	Blood	*Collective*
Independent variables		
Threat	0.13*	0.19**
Control variables		
Age	0.01	0.00
Gender	–0.27	–0.11
Education	–0.03	0.15**
Class	0.14	–0.03
Income	–0.04	–0.08
Model Chi2	15.97	18.51
n	1,003	1,003

Notes
*p < 0.05; **p < 0.01.

strong sense of ethnic identity, as 75 percent of respondents agree that "Koreans are brothers and sisters regardless of political ideology or regional residence".

How, then, does the use of computers, the Internet and email strengthen Koreans' ethnic identity? If Hypothesis 2B is correct, we should find that *computer*, *internet* and *email* each have positive and significant effects on indicators of national consciousness. To test this proposition, we ran ordered logit regressions of *computer*, *internet* and *email* on *ethnic identity*. Table 10.4 shows that *computer*, *internet* and *email* indeed have positive and statistically significant impacts on *ethnic identity*, giving strong empirical support to Hypothesis 2B. In other words, the greater respondents' access to information technology, the stronger their national consciousness.[11]

Table 10.4 Effects of exposure to globalization on national consciousness

	Ethnic identity		
Independent variables			
Computer	0.14**		
Internet		0.13*	
Email			0.10*
Control variables			
Gender	–0.30**	–0.28*	–0.30**
Age	0.01*	0.01*	0.01*
Education	–0.11*	–0.10	–0.09
Income	–0.09*	–0.08*	–0.08*
Model Chi2	25.42	24.66	36.27
n	1,000	1,000	1,000

Notes
*p < 0.05; **p < 0.01.

Conclusion: paradox or paradigm?

This chapter demonstrates that globalization often triggers a reaction that intensifies, rather than weakens, national consciousness. Moreover, it also demonstrates that national and global forces need not contradict each other. Rather, they become compatible when globalization is appropriated for national interests. Given these processes, globalization represents a two-edged sword to state, group, individual and other national actors, presenting both opportunities and threats. Thus, they can proactively maximize what globalization has to offer, while defending against its harmful effects.

The Korean case supports both propositions. In the name of *segyehwa*, the Korean state has indeed promoted globalization to enhance national competitiveness in a rapidly globalizing world. Simultaneously, it has sought to preserve and strengthen Korean heritage and culture. Similar effects are also found at the individual level of analysis. Survey data confirm that Koreans understand globalization from an instrumentalist view influenced by social Darwinism, and embrace globalist attitudes. Also, exposure to the means of globalization, as well as perceived globalization-related threats, strengthens their sense of ethnic identity and national consciousness.

It is important to note that the interplay between national and global forces has a long history in Korea. As illustrated by their instrumentalist acceptance of the Western notion of *civilization* at the turn of the twentieth century, and the Western notion of *development* during the 1960s and 1970s, Koreans have long appropriated transnational forces to enhance their national interests. When Korea joined the modern world-system in the late nineteenth century, *civilization* became an international standard, and provoked a radical rethinking of the nation and the region. Korean intellectuals and leaders widely embraced civilization, and believed it to be necessary in making their country fully sovereign and modern in the world system of nation-states. However, this notion did not mean giving up Korea's heritage and culture. Far from discarding their national and regional heritage, Korean leaders and intellectuals sought to utilize elements of their indigenous tradition to create a new framework. It is in this context that pan-Asianism and ethnic nationalism appeared (Schmid 2002; Shin 2006).

Several decades later, a similar notion reappeared in Korea, this time in the form of modernization (*development*), which formed the basis for Korea's "modernization of the fatherland" project. While *development* itself was Western in its origin, and advocated openness to the outside world (export-oriented industrialization), its goal was clearly nationalist. While pursuing *modernization*, the developmental state sought to mobilize Korea's "spiritual power" by promoting the nation's indigenous culture and heritage. It was claimed that Koreans must reject elements that could harm Korea's cultural heritage, while accepting and digesting superior aspects of "foreign civilization". It was in this context that the Park regime stressed the simultaneity of "economic construction and spiritual development" in its pursuit of "modernization of the fatherland" (Park 1979).

As Korea entered the final decade of the twentieth century, *globalization* replaced *modernization* as a paradigm of socio-economic change, just as *modernization* had once replaced *civilization*. To be sure, globalization involves novel elements like greater space–time compression, and transnational business networks. Still, *civilization*, *modernization* and *globalization* have more than a passing resemblance in the way they relate with nationalism. Driven by capitalist impulses, all three have expanded worldwide. Also, all three have been appropriated by Koreans for national goals, and have provoked an intensified, not weakened, ethnic identity and national consciousness – despite their being transnational forces with Western origins.[12]

In this sense, a strong and persisting nationalist character is not a collective fantasy or paradox, as some scholars have claimed. At least in Korea, it has been a paradigmatic feature of globalization. There is no clear sign that either national or global forces will disappear in the near future. Instead, they will likely coexist, both contentiously and complementarily, in Korea and elsewhere. Much of the current scholarship, which suggests that globalization and nationalism are antithetical or contradictory, requires a fresh perspective. The processes and consequences of globalization – national appropriation and intensification of nationalism – are not, in fact, paradoxical; it would thus be wrong to expect globalization to produce a paradigm shift. Indeed, the close connection between global and national forces is not simply a new feature that has appeared in the current globalization process; instead, it has long been paradigmatic in many nations' development strategies, especially in the non-Western world. As such, we need to pay close and continued attention to the interplay of national and global forces in social and economic change.

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Appendix 10.1 Summary of explanatory variables

Variable	*Question (scale)*	*Mean (S.D.)*
On social Darwinism		
Competition	The world is an arena of competition among nations. (1 = disagree, 2 = middle, 3 = agree, 4 = strongly agree)	2.96 (0.76)
Survival	The survival of the fittest is a major principle of the contemporary world. (1 = disagree, 2 = middle, 3 = agree, 4 = strongly agree)	2.94 (0.77)
On Globalization		
Culture	It is good to acquire foreign languages or cultures from childhood. (1 = strongly disagree, 2 = disagree, 3 = middle, 4 = agree, 5 = strongly agree)	3.56 (0.95)
Citizenship	Foreign workers should be allowed to obtain Korean citizenship if they desire. (1 = strongly disagree, 2 = disagree, 3 = middle, 4 = agree, 5 = strongly agree)	3.19 (0.98)
Threat	Globalization will weaken the power of a nation-state. (1 = strongly disagree, 2 = disagree, 3 = middle, 4 = agree, 5 = strongly agree)	3.00 (0.94)
On national consciousness		
Blood	Our nation has a single bloodline. (1 = disagree, 2 = agree, 3 = strongly agree)	2.38 (0.61)
Collective	In case of national crisis, national interests can be given priority over individual ones. (1 = disagree, 2 = middle, 3 = agree, 4 = strongly agree)	2.67 (0.85)
Ethnic identity	Koreans are brothers and sisters regardless of political ideology or regional residence. (1 = disagree, 2 = middle, 3 = agree, 4 = strongly agree)	2.67 (0.85)
On exposure to globalization		
Computer	Proficiency in using computer in general. (1 = not at all, 2 = a little, 3 = middle, 4 = skilled, 5 = very skilled)	2.53 (1.26)
Internet	Proficiency in using the Internet. (1 = not at all, 2 = a little, 3 = middle, 4 = skilled, 5 = very skilled)	2.14 (1.25)
Email	Proficiency in using email. (1 = not at all, 2 = a little, 3 = middle, 4 = skilled, 5 = very skilled)	1.98 (1.21)

Appendix 10.2 Summary of control variables

Variable	*Question (scale)*	*Mean (S.D.)*
Age	Respondent's age	39.43 (12.92)
Gender	Respondent's gender (0 = male, 1 = female)	0.50 (0.50)
Education	Respondent's level of education (1 = no formal education, 2 = elementary, 3 = junior high, 4 = high school, 5 = two year college, 6 = college, 7 = graduate school)	4.08 (1.29)
Class	Subjective class position (1 = lower low, 2 = upper low, 3 = middle, 4 = lower high, 5 = upper high)	2.69 (0.77)
Income	Respondent's household monthly income (1 = less than 0.5 mil. won, 2 = 0.5–1 mil., 3 = 1–1.5 mil., 4 = 1.5–2 mil., 5 = 2–3 mil., 6 = 3–4 mil., 7 = 4–5 mil., 8 = over 5 mil.)	3.89 (1.36)
Tour	Whether have traveled overseas (0 = no, 1 = yes)	0.26 (0.44)
Intermarriage	Koreans should be allowed to marry foreigners if they love each other (1 = strongly disagree, 2 = disagree, 3 = middle, 4 = agree, 5 = strongly agree)	3.68 (0.92)
Age	Respondent's age	39.36 (12.78)
Gender	Respondent's gender (0 = male, 1 = female)	0.50 (0.50)
Education	Respondent's level of education (1 = no formal education, 2 = elementary, 3 = junior high, 4 = high school, 5 = two year college, 6 = college, 7 = graduate school)	4.35 (1.29)
Income	Respondent's household monthly income (1 = lowest 10%, 2 = highest 90%, 3 = highest 80%, 4 = highest 70%, 5 = highest 60%, 6 = highest 50%, 7 = highest 40%, 8 = highest 30%, 9 = highest 20%, 10 = highest 90%)	4.38 (1.64)

Notes

1 Unlike Giddens (1990), some scholars differentiate globalization from modernization. See Guillén (2001) for a review of this debate.

2 Conversely, national culture can be appropriated as an instrument of globalization. For instance, Korean cultural exports, including television series, movies, and music, have become popular in Northeast and Southeast Asia. To its viewers, the "Korean Wave" represents a vision of East Asian modernity. The Korean Wave has certainly brought Korea economic benefits; for instance, the Korean Wave generated an additional 1.74 million additional tourist visits to Korea during January–July 2004 (KITA 2004).

3 Alford even claims that, for most Koreans, globalization is an idea more terrifying than North Korea. This is, according to him, because while North Koreans are ethnically related, globalization represents "the transformation of warm human ties, including ties whose warmth stems from hatred rather than love, into strictly instrumental encounters" (Alford 1999: 146).

4 This is an example of a process Snow *et al*. (1986) labels *frame extension*.

5 Numerous policies and programs exist to revitalize national cultures and identities and to deal with globalization. Thailand offers a good illustration. In 1994, a campaign with the slogan "We Take Pride in Thawe Culture" was launched nationwide, using schools, cultural facilities, television and other media to raise public awareness of Thawe art and culture, Buddhist history and tradition. The campaign was extended until 1997 with a new name, "The Program to Continue Thawe Culture", overseen by the Office of the National Culture Commission under the Ministry of Education (see Chittiwatanapong 1999).

6 Proliferation of these local festivals and events is also related to the establishment of "local self-rule" (*chibang chach'i*). Local officials such as the mayor, the governor and city council members are now elected. Previously, they were appointed by the central government.

7 OhMyNews.com is another illustration how information technology can support nation-based identities. Starting as a small news portal, OhMyNews has experienced explosive traffic and advertising revenue growth. OhMyNews articles lean towards Koreans adversely affected by economic globalization, and against the United States. Simultaneously, many traditional newspapers have experienced a precipitous decline in readership and advertising revenue.

8 After linearity tests, we collapsed categories with a few cases into one. For instance, the statement "Our nation has a single bloodline" initially had five categories, which we consolidated into three – strongly agree, agree, and others (neutral, disagree, and strongly disagree). Even so, only 7 percent fall into the last category.

9 While we interpret this finding as indicating that social Darwinism promotes an opportunistic, instrumentalist view of globalization, one could argue that the former affects the latter by provoking a perception of threat related to globalization. In fact, the first data set shows that 32 percent of the respondents think "globalization will weaken the power of a nation-state" (*threat*). Thus, we look at the impact of a perception of threat coming from globalization on both measures of globalization. Yet, neither indicator of globalization is significantly related to such a perception of threat. We interpret this finding as suggesting that social Darwinism facilitates globalization not because it promotes a perception of threat, but because it leads to an opportunistic, instrumentalist view of globalization.

10 These figures may not seem high but, given that computer and Internet usage has grown rapidly since the survey was conducted, current figures would be much higher. For instance, the total PC communication population was 4.86 million in 1998 but had jumped to 18.6 million by the end of 2001. Likewise, the Korea Internet Information Center estimates that there were only 3.1 million Internet users in 1998. That number increased to 10.8 million in 1999 and to 22 million in February 2001 (Yonhap News Agency 2001: 206).

11 It is important to note that this effect does not result from certain generations feeling more strongly about national consciousness than others; we establish age-independence by statistically controlling for respondent age.

12 While transnational forces have been effectively appropriated for the national agenda, there exists a potential danger for authoritarianism in the process. As a major agent of modernization, for instance, the developmental state demanded sacrificing individual interests and civic rights for collective, national interests – i.e., "modernization of the fatherland". Also, in appropriating globalization, even the democratically elected Kim Dae Jung government pushed for promulgation of a discriminatory special law regarding overseas Koreans. Korea also discriminates against migrant labor from China and Southeast Asia.

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