CHAPTER 8

Impact of the 16th Presidential Election on Political and Socio-Economic Cleavages in the ROK

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Introduction

Dictionary definitions of the term, “cleavage,” include splitting, separating, dividing, and it means a “critical division in opinion, beliefs, and interests, etc., as leading to opposition between two groups.” Divisions and cleavages have been common in political, social, and economic endeavors from the times of Socrates and Confucius. Socrates died due to “critical division in opinion,” and the Confucian ideal of the “great harmony” still remains illusive.

Korea has not been a paragon of harmony. In fact, far from it. Historically, “tangjaeng” [factional strife]\(^{115}\) had long been a bane of Korean societies, and manifested severe forms of cleavages with political and socio-economic ramifications. These tangjaengs were particularly pernicious cleavages during the last Korean dynasty, long before the rise of what had been called an indigenous teaching of the “Tonghak” [Eastern Learning]\(^{116}\) that began in 1860. While the factional strife was

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\(^{116}\) Yi Ton-hwa, *Ch’ondogyo ch’anggon-sa* [The History of the Inauguration
an extreme form of cleavages among authoritarian, conservative Confucian elites, the Tonghak uprisings were strikingly reformist, populist, revolutionary movements, which attracted numerous followings among common peasants.

The Tonghak rebellions of the 1890s became very divisive and threatening to the Yi Dynasty, which could not contain them. The Choson court requested that Chinese troops be sent to Korea to suppress them. The uninvited dispatch of Japanese troops to halt the Chinese advance in Korea, eventuated in the Sino-Japanese War in 1894-1895. The Chinese retreat followed by the Russian defeat in the Russo-Japanese war over Korea in 1904-1905 and the international real politik of the time led to the Japanese colonization of Korea in 1910-1945.

If a key feature of the 2002 presidential election may be characterized essentially as a victory of contemporary reformist populists, who defeated conservative elitists, one may draw certain basic parallels between the events at the turn of the 20th century and the 2002 presidential election in South Korea. Turbulent events in South Korea in a rapidly changing regional environment in Northeast Asia where North Korea appears to be going nuclear, coupled with the raging Iraqi war, are most unsettling. One hopes that history will not repeat itself for South Korea.

**Metastasis**

ROK Turning Point

d’etat in 1961 in a turbulent “republican” history of South Korea, while Mr. Roh accomplished an important “populist”\textsuperscript{117} electoral victory in South Korean politics. At the core of uncertainties on the morrow of the military coup was that South Korea and the world, including the United States, knew very little about General Park Chung-hee when he seized power. A similar uncertainty existed about the 16th President,\textsuperscript{118} who defeated a relatively well-known conservative candidate of the ruling elites, Mr. Lee Hoi-chang. People could readily learn much about, for instance, Syngman Rhee or Kim Dae-jung, but it is a daunting challenge – beyond the purview of this chapter -- to understand Mr. Roh Moo-hyun, the man and his ideas.\textsuperscript{119} 

The Seismic Center

The volatile South Korean politics in 2002 catapulted Mr. Roh, 56, to presidency, when he defeated his GNP opponent by a narrow margin of 2.3 percent in a presidential election in which the voter participation was one of the lowest, at 70.2 percent.

\textsuperscript{117} Oh, “A Populist President-Elect.” \textit{The Korea Times} (Seoul) column, December 22, 2002.

\textsuperscript{118} The website on President Roh, \url{www.president.go.kr} lists several books, but when I hurriedly obtained four books on Mr. Roh, only one turns out to be written by Mr. Roh himself. It is \textit{Yobo, Na chom towa chuwo: No Mu-hyon kobaek essay} [Dear, Please Help Me a Little: Roh Mun Hyun’s Confessional Essays] (Seoul: Seri, 1994), 239 pp. It is a collection of breezy essays, under such subheads as “The Bushman of Yoido,” “A Fox and a Hunter,” “Thus Fell the Curtain,” and the like. This is the only book of the four publications for which Mr. Roh holds the copyright. The others are: Yi Jin, \textit{No Mu-hyon ui saekkal} [The Color of Roh Moo Hyun] (Seoul: Kema kowon, 2002), 279p. Roh Moo Hyun, Im Hyong-uk, et.al., \textit{No Mu-hyon ui lidosip iyagi} [The Story of Roh Moo Hyun’s Leadership] (Seoul: Hengbok han ch’ek ilki, 2000), 326pp. No copyright holder is indicated. Im Hyong-uk, et; al., \textit{No Mu-hyon: Sangsik hokum himang} [Roh Moo Hyun: Common Sense or Hope] (Seoul: 2002), 408 pp. No indication of a copyright holder.

\textsuperscript{119} According to a conservative National Assembly man of the Grand National Party, Kim Mahn Je, \textit{The Washington Post}, February 24, 2003, A14. Kim also said that Roh is a “rugby ball with no direction.”
The victory of the pugnacious populist was undeniably on the crest of anti-Americanism that has been building up for decades but reached an apogee with “anti-Bushism,”\textsuperscript{120} that evidently drove many youthful South Koreans to believe that Kim Jong-il was the lesser of two evils as compared with the U.S. President George W. Bush.

During the presidential election campaign, Mr. Roh pledged numerous “radical” domestic reforms and far-reaching realignments in South Korea’s external relations, including those with the United States and North Korea. Mr. Roh squarely committed himself to continue the “sunshine” policy of the former President Kim Dae-jung, who became a huge baggage on the back of Mr. Roh due to the “cash-for-the-summit” revelations. The special investigation of these “scandals” is likely to keep South Korean political arena divided for some time to come. Some of Mr. Roh’s free-wheeling remarks during and after the election campaign, obviously aimed at the post-Korean War generation but probably reflecting his inner thoughts, caused major stirs in American-Korean relations.

**Political Cleavages**

The differences between policies advocated by Mr. Roh Moo-hyun and his opponent Mr. Lee Hoi-chang were sharper and more pronounced than most previous presidential contests.

**Initial Appointments**

Among many activities of the new administration, the most tangible deeds are appointments of key officials. Such appointments tend to have lasting impact on the “cleavage” problems and the performance of the Roh government.

\textsuperscript{120} A point repeatedly made by the ROK participants in a conference on anti-Americanism at Georgetown University, January 30-February 1, 2003.
To begin with, the transition team named by President Roh, who has no college education, was branded “immature,” by the Korea-Herald. The pro-government newspaper pointed out that 19 of 25 heads of the committee subheads were Ph.D.-holding scholars, as sharply contrasted with President Kim Dae-jung’s transition team in which all 25 subheads were experienced politicians.

Early indications of how different the Roh administration would be from its predecessors came with the appointment of presidential assistants/secretaries, “the nation’s most powerful group,” at Chong Wa Dae (The Blue House). They are “powerful” as they have ready access to the President. Among the 34 appointees to the secretarial posts, only two had any experience in the government. More than a half of the rest, in their 30s and 40s, were former student activists who led demonstrations against military-led regimes in the 1970s and 1980s.

Many came from unusual, if interesting, backgrounds. For instance, the presidential secretary for general affairs operated a flower shop, the secretary for information and policy monitoring and the protocol secretary were co-owners of a restaurant in Seoul, the secretary for civil affairs ran a travel agency. The common thread was that they helped Mr. Roh in different ways and “shared Roh’s values.” A Korean columnist gently pointed out that there was a sense of “unease” with such appointments of staff members who surrounded the President, who was painted by his opponents as an “unstable, leftist” politician.

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John Kie-chiang Oh

The First Cabinet

President Roh’s cabinet appointments followed a similar pattern. The President conspicuously stayed away from setting credible academic credentials or experience in bureaucracy as important criteria in selecting cabinet members. South Korea remains a country where the Confucian tradition of esteeming education and officialdom is still discernible. In such a country, several cabinet appointments were surprising. For instance, the Agriculture and Forestry Minister, Kim Young-jin, 56, graduated from an agricultural high school. The Culture and Tourism Minister, Lee Chang-dong, 49, was a popular film director, and the Minister of Government and Administration and Home Affairs, Kim Doo-kwan, 44, is a former county head, clearly not experience normally on a par with a Cabinet level position.

The Finance and Economy Ministry went to well-respected Kim Jin-pyo, 56, who was believed to favor stable economic growth, and Mr. Yun Young-kwan, 52, a professor of international relations at the Seoul National University, was put in charge of the important Ministry of Foreign Affairs and Trade. Thus, relatively youthful and inexperienced “reformists” dominated the list of initial cabinet appointees. They all tended to be obesiant to President Roh. An alarmed writer wrote in a conservative monthly that there must be a “redline” around appointments by an “imperial president.” In a country where age used to command respect, the average age of the Roh appointees was

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126 Yi Chang-chun, “Chewang jok daet’ongnyong ui insakwone red line ul koura” [Draw a Red Line Around the Appointment Power of an Imperial President], www. Wolgan Chosun, March 22, 2003,
young, 54.5, compared with 58 in the case of the initial cabinet appointed by the former President Kim Dae-jung.\textsuperscript{127}

Early indications of how such a cabinet would function came quickly, from at least two ministries, within three weeks of the announcement of the cabinet formation. Minister of Agriculture and Forestry, Kim Young-jin, told President Roh that his Ministry would be ready to offer about 1.29 million tons of free rice to North Korea, or about 430,000 tons annually for the next three years. Mr. Roh had repeatedly announced that he would continue the “sunshine” policy toward the North, and it was noteworthy that Minister Kim did not mention any interest in verifying who among the North Korean population receives the rice.\textsuperscript{128} Predictably, the opposition Grand National Party accused the Roh government of continuing the policy of “\textit{p’o chugi}” (scoop up and give).

\textit{War Against the Media}

During the election campaign, candidate Roh had promised to lead a clean and transparent government. It is generally assumed that civil society groups, the press, and opposition parties are the three prominent forces that keep the government corruption-free and transparent. Early in the election campaign, it was widely known that candidate Roh had been livid with conservative mainstream news media, particularly \textit{the Chosun Ilbo}, \textit{the Joongang Ilbo}, and \textit{the Dong-A Ilbo} (the so-called Cho-Joong-Dong papers) – mass circulation dailies with long pro-establishment history.

\textsuperscript{127} Digital Chosun, February 27, 2003, “Ch’ot naegak ch’ulbom” [The First Cabinets Launched].

\textsuperscript{128} According to my quick calculation, this amount could mean 129 lbs. of rice per person of the North Korean population in three years, or some 860 lbs for every member of the North Korean standing army.
At one point, it was widely reported that candidate Roh, while inebriated, declared that he would “nationalize” these printed news media if elected as President. He and his camp later vehemently denied the “unattributed” reports. But the impression lingered on that Mr. Roh had been hostile to conservative news media, while being chummy with a rapidly expanding Internet media portal, *Ohmy News*, the darling of the numerous youthful “netizens”¹²⁹ (Internet users) of South Korea, and the unabashedly progressive *Hangyorye Shinmun* newspaper.

The movie-director-turned Minister of Culture and Tourism announced on February 14, 2003, that his Ministry would abolish the “press room,” which national reporters used to exchange news tips and arrange interviews with members of the administration. The Minister emphasized that henceforth the real names of any news source must be identified, and that all reporters should be “registered” with his Ministry to receive regular “briefings.” In democratic societies, the anonymity of news sources is often respected, and some reporters choose to go to jail to protect the identity of their news sources, to whom anonymity was promised.

A lead editorial in the *Hankook Ilbo* took issues with the proposed system.¹³⁰ It observed that such a proposal revealed a “hidden intent to control the media” by blocking newsgathering through interviews with competent officials, some of whom request anonymity. Briefings may be able to provide selective “one-way feeding” of news items, but such a system would restrict “the people’s right to know,” according to the editorial. Many historians pointed out that the first step taken by General


¹³⁰ “Problems with the Briefing Room System,” March 18, 2003, A20.
Park Chung-hee after he executed a military coup was to shut down press rooms and impose media censorship.

President Roh, apparently sensing the profound unease felt by the mainstream media, slowed down the implementation of controversial new media guidelines.\(^\text{131}\) However, he remains visibly partial toward the Internet news media, *Ohmy News*, to which he gives exclusive interviews from time to time. The Internet media reported that “President Roh had much to say to the ‘netizens,’ the *Ohmy News* readers, who helped him greatly.”\(^\text{132}\) Subsequently, the Blue House eased its media restrictions and directed that the government ministers or vice ministers give regular media briefings at least once a week.\(^\text{133}\)

**Socio-Economic Cleavages**

Because the socio-economic backgrounds and philosophies of the Roh Moo-hyun camp and Lee Hoi-chang supporters were worlds apart, and since the Roh administration has so far shown unmistakably “reformist” commitments, cleavages in the socio-economic areas also appear real and far-reaching. Simply put, the Lee Hoi-chang camp represented the conservative establishment, with myriad vested interests, whereas the Roh government embodies the anti-establishment impulses and reformist programs. However, by nature, socio-economic matters are long term and not as immediately discernible as staff appointments, Cabinet politics, or media policy.

In South Korea, where a majority of the population is younger than 40, and the so-called “386 generation”\(^\text{134}\) becomes


\(^{134}\) Another newly-coined word, meaning those who are in their thirties, who
prominent in all walks of life, the entire society is changing and, along with it, dominant social and economic values undergo radical transformation. Naturally, these rapid changes create many cleavages.

Social Justice and Income Redistribution Plans

During the presidential election campaign, the issues of “social justice” and “fairer distribution of wealth,” that are evidently closely inter-related in the minds of the Roh camp members, were sharply emphasized. Now that Mr. Roh Moo-hyun, who comes originally from an impoverished background and is surrounded by persons of similar poor background and working family values, a veritable sea change is under way in the socio-economic sphere.

The demands for “social justice,”\textsuperscript{135} hitherto muted largely for the sake of growth, are forcefully brought to the fore. These populist demands are focused on the problems of narrowing the gap between the fabulously rich and the working poor, the elimination of discrimination against women, the less educated, and physically and mentally handicapped. These are all tall orders, indeed. For centuries, most Korean women have been “underprivileged.” In a culture that is still influenced by Confucianism, the less educated have been perennially disadvantaged. In a society that attaches heavy stigma to handicapped men and women, their “social justice” has been a non-issue, hidden in many closets. Remedies for every one of these and other “social justice” problems would require the passage of special “social welfare legislation” by a nearly divided National Assembly where the opposition Grand National Party still has the veto power.

The reduction of the widening gap between the rich and the poor is the announced goal of Mr. Roh’s chief policy advisor, and the economic betterment of the underprivileged has become a prominent goal of the new administration. President Roh has made chaebol reforms his urgent policy goal. Among other matters, President Roh has made a commitment not to allow the transfer of wealth from one generation to another without appropriate taxation. “Reformists” have launched a series of investigations of many questionable chaebol transactions, including the recent scandal involving the internal stock deals in the SK Group, the third largest South Korean chaebol. Every new scandal adds fuel to the popular demands for chaebol reforms.

However, income redistribution reform issues have remained largely intractable for decades. The four previous administrations failed to resolve them due to the sheer size and wealth of the privileged classes, as well as the diversification and sophistication of the mammoth, family-owned industrial-financial conglomerates. The Roh government has posited the chaebol reform and fair income distribution issues as urgent goals to be attained in the socio-economic sphere.

The Blue House relies on data from government-financed economic think tanks to support its arguments about the urgent need to launch a new income-redistribution policy. According to the Korea Development Institute, the “wealthy” class became wealthier and larger, widening the gap between the rich and the poor. While an average worker in enterprises employing more than 500 employees earned W20.04 million a year, Samsung Electronics executives received W5.2 billion, or $4.3 million a year.\(^\text{136}\) In other words, the company management earned approximately 260 times more than the “average” worker. The

wealthy class rose to 22.7 percent of households in 2001 from 21.8 percent in 1997.\textsuperscript{137} The “middle class,” considered the bedrock of stable “democracies,” shrunk from 68.5 percent in 1997 to 65.3 percent in 2001. On the other hand, the “poor class” rose to 12 percent of the households in 2001, up from 9.7 percent in 1997, the year of the IMF bailout of the South Korean economy.

*Corporate Governance Reform and Threat of Socio-Economic Disintegration*

The rapid-economic-growth policy initiated by the Park Chung-hee government and followed by his like-minded chief executives with military backgrounds had led to the monopolization of the economy by a small number of the state-financed *chaebols* from the 1970s until the 1990s. That situation was justified in the name of economic efficiency, particularly in terms of international competition, as long as the conglomerates pursued the policy-directed production and export targets as dictated by the government.\textsuperscript{138} Soon, there emerged what many called the “*chaebol* republic,” in which the world-class financial tycoons in close collusion with governmental-power-dominated “Korea, Inc."

One of the most entrenched socio-economic challenges facing the “*chaebol* republic” was management-labor disputes and disintegration. The frequency of labor disputes skyrocketed when the government was “democratized” in 1987, when former General Roh Tae-woo issued the “Democratization and Reform Declaration” on June 29, 1987. The number of labor disputes, 276 in 1986, shot up to 4,749 in 1987. The number fluctuated since then, but there still occurred 1,036 cases of labor disputes

\textsuperscript{138} Oh, *Korean Politics*, pp. 210-214.
in 2000, indicating that the labor-management cleavages remain volatile and possibly explosive.

It is not surprising that Lee Won Duck, president of the Korea Labor Institute, recently wrote that the new government’s labor policy must pursue “social integration,” and that the Roh government should establish a “five-year plan” for improvement of labor-management relations. Lee wrote:

> It is necessary to eradicate the legacies of Korea’s authoritarianism of the early industrialization phase, which have contributed to mutual distrust and confrontational relations between labor and management, managerial practices of unilateral decision-making and thus, the alienation of workers, and militant labor movements. …

It is clear that the labor-management cleavage is serious enough to call for a “five-year plan” to ameliorate. Mere sloganeering and some vague promises may not be sufficient. A labor union leader Kwon Young-Gil became the Democratic Labor Party’s presidential candidate in 1988, as he did again in 2002. In both cases, however, the labor candidate garnered a negligible percentage of votes. But, to the surprise of many observers, Mr. Kwon was elected into the National Assembly for the first time in the history of the ROK’s labor movement in April 2004.

President Roh lamented that “virtually all viable enterprises” in South Korea are now absorbed into “four main chaebols,” creating a monopoly of the country’s economic power in the hands of these gigantic conglomerates. One of these, Hyundai Group, apparently was powerful enough to collude with the Kim

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Dae-jung government in the execution of its primary goal of the “sunshine” policy. In the earlier days of the growth of chaebols, the government was the controlling partner. It has not been clear in recent decades as to which side is in fact more dominant, the government or the chaebols.

The Bottom Line: Growing Ideological Divide

The cleavages in political and socio-economic spheres were most dramatically manifested in the March First demonstrations in 2003. On March 1, 1919, in all parts of the Korean peninsula, the Korean people of diverse political associations and identifications – nationalists, socialists, Ch’ongdogyoites, (former Tonghak followers), Buddhists, Confucians, Presbyterians and other Protestants, Catholics, regardless of their socio-economic backgrounds, – united and rose up massively against the Japanese colonial authorities.  

In sharp contrast, the 84th anniversary of the March First Independence Movement in 2003, marked shortly after the inauguration of President Roh Moo-hyun, was visibly fractured largely into two separate celebrations and demonstrations. A distinctly pro-American and anti-North Korean crowd of some 100,000 packed the large square in front of the Seoul City Hall at noon. This mammoth demonstration, sponsored by 114 conservative organizations, broke into singing the “Stars and Stripes Forever.” These demonstrators hoisted super-sized Korean and American flags. When this huge but orderly demonstration, led by veterans groups, Protestant and Catholic organizations, and Buddhist groups dispersed, they did not leave a single bit of trash on the City Hall square.

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142 Cho Kap-je, “Kwanghwa mun chwa-u daekyol” [The Left-Right
Another demonstration also took place on March 1, 2003, sponsored by some 700 NGOs, attracting about 2,000 “anti-war” and anti-American activists, who held a candle light parade, and tore a large American flag into two pieces before dispersing into the night. An editor of conservative *Wolgan Chosun* observed that the “patriotic” demonstrators overwhelmed the “anti-American” group by a “ratio of 50 to 1.”

The advent of the Roh administration, committed to the continuation of the “sunshine” policy, pursuit of the “reformist” agenda, and advancement of the 386-generation appointees, signifies the evaporation of anti-communism as a unifying ideology. President Roh has so far been a chameleon-like pragmatist who has little inclination to articulate new guiding principles or ideologies, other than “reform” and related slogans. Now that the new government has become responsible for solving myriad hard and accumulated problems, however, reality checks will take place in all areas, including political, and socio-economic spheres.

The minority President’s maneuvering room appears severely limited in most areas by political and socio-economic realities. The most pronounced hurdle is that the National Assembly is still nearly divided between the pro-government Uri Party and the opposition GNP. The Roh administration inherited a severely fractured social structure as well as the economic sector dominated by the gigantic *chaebols* that now can effectively evade marching orders from the government. Though President Roh personally may be inclined to be “pro-labor,” he cannot afford to become “anti-chaebol.” He can hardly be seen as endangering the economic health of the country, which has been showing a number of serious signs of stresses. The nuclear threat

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from the North, and the economic impact of a prolonged Iraq war may prove to be troublesome.

After a year in office, the Roh administration appears to be still in a suspended animation. The support input from the youthful “netizens” was ephemeral, while the Roh government succeeded in arousing and sharpening the sense of unease and alarm in the conservative groups, including the established news media that have been decidedly hostile to the new administration. The March 1, 2003, demonstrations, namely, concrete events where head counts – or rough estimates -- were possible, have indicated that the major ideological cleavages exist now between the conservatives and “reformists,” between the right and the left.

The advent of the Roh government has marked the beginning of an “era of open competition” between “ideologies of the left and the right.” In this competition, according to a recent survey conducted by the Institute of Korean Politics of the Seoul National University and The Hankook Ilbo, some 35 percent showed “conservative” tendencies, and 27 percent “progressive” (reformist), and 30 percent “neutral.” Mr. Roh Moo-hyun has been a politician who decides his agenda, and indeed his presidential candidacy itself, on the basis of opinion polls. This may explain why he has been recently reversing or contradicting himself on many issues, not only political and socio-economic, but also diplomatic and military.

President Roh’s populism, if counter-balanced by conservative forces, therefore, may lack the decisiveness or recklessness that

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144 “Naegak ch’ulbom handal: T’oron podanun daet’ng nyuong i’pman cch’oda bwa” [One Month After Launching the Cabinet. Instead of Discussions, Watching the President’s Lips], The Hankook Ilbo, March 27, 2003, A. 8.
146 Ibid.
can endanger the security of the Republic of Korea, despite the paranoia voiced by some extreme right wingers within the South Korean political establishment.