



## CHAPTER 9

# **The Past as Prologue: President Kim Dae Jung's Legacy And President Roh Moo-Hyun's Policy Issues And Future Challenges**

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### **Introduction**

With the inauguration of President Roh Moo-hyun, on February 25, 2003, the old politics of the “three Kims” era finally came to an end.<sup>147</sup> A new era of politics must overcome the legacy of old politics characterized by strong *bossism and regionalism* in Korean politics. Consolidation of a new democracy through bold and innovative measures of institutional reform remains to be realized under Roh Moo-hyun’s presidency.

The last three presidential elections of 1987, 1992, and 1997, were all about voting for a civilian president and “exorcising the demons of a military government” as one columnist put it.<sup>148</sup> In 2002, a new civilian president was elected, on December 19, to

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<sup>147</sup> The era of the so-called “three Kims” refers to an unofficial triumvirate consisting of President Kim Dae-jung, ex-President Kim Young-sam, and ex-Prime Minister Kim Jong-pil, who had dominated Korean politics for decades.

<sup>148</sup> Cho Se-hyon, Good Luck to Him, *The Korea Herald*, December 31, 2002.

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continue the mandate of democratic consolidation. Luckily for Mr. Roh, the Asian financial crisis of 1997-98 has now been successfully overcome and left behind as a reminder of the misguided policy of the past. The reality of a government divided between the executive and legislative branches, however, may prevent the popularly elected new president from carrying out his campaign promises for a reform agenda.

In 1998, Kim Dae-jung's presidency began with high expectations and fanfare as a "Government of the People," but his administration ended five years later, achieving so much less than it had promised. The Roh Moo-hyun's presidency began in 2003 with limited expectations and uncertainty in the subdued environment associated with a subway tragedy in South Korea's third largest city of Taegu.<sup>149</sup>

The Roh administration recruited some new faces and young reformers to the cabinet posts and to serve as presidential assistants. In the first six weeks of his administration, Mr. Roh was besieged by the escalating security threat caused by North Korea's nuclear brinkmanship and the challenge of restoring the alliance relationship with the United States.

The handicap of a divided government awaited the Roh Moo-hyun administration much as it had his predecessor. But unlike the Kim administration, the Roh presidency seems to have overcome the initial difficulty of a divided government with leadership skill and sheer determination to work closely with the National Assembly. Unlike the situation in 1998, Mr. Roh was

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<sup>149</sup> This tragedy led to the loss of hundreds of innocent lives caused by the criminal act of arson on a commuter train committed by a deranged individual in Taegu.<sup>149</sup> An exact number of casualties from the subway tragedy could not be established immediately, but the list of estimated casualties included 198 dead, 147 wounded, and 201 still missing as of one month after the incident. See "Pain Lingers One Month After Taegu Subway Fire," *Hankook Ilbo*, March 18, 2003.

successful in obtaining the legislative consent for his prime minister nomination from the opposition GNP-dominant National Assembly. Also, Mr. Roh chose with courage to address the National Assembly, on April 3, 2003, to persuade the lawmakers to vote for the bill to authorize the dispatch of the 700 non-combatants to Iraq, among other matters of his legislative concerns.<sup>150</sup>

Although there was some hope in the beginning that the executive-legislative cooperation would mark the style of the new Roh government, the reality of the divided government prevailed, constrained the first year of his presidency, and culminated in the MDP and GNP-sponsored presidential impeachment trial, which exacerbated the tension between the Blue House and the opposition-controlled National Assembly. This is why President Roh considered the parliamentary election in April 2004 to be decisive and critical for saving him from impeachment and restoring in full his presidential powers, as well as for pursuing his campaign pledges on the reform agenda, as they were discussed during the presidential campaign.

### **Legacy of Kim Dae-jung's Presidency**

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<sup>150</sup> The National Assembly deferred twice its voting on the troops dispatch in 2003 because of the mass street protests waged by some civic groups and labor unions in opposition to the U.S.-led war on Iraq. Some civic activists threatened a "rejection campaign" against lawmakers if they voted for the troop dispatch bill. During the 2000 general elections, an alliance of civic groups campaigned intensively against 22 incumbent lawmakers throughout the nation, whom they had targeted for their alleged corruption and incompetence. It succeeded in forcing as many as 15 of incumbents out of the National Assembly at that time. Bearing this experience in mind, in a joint statement, the floor leaders of the ruling MDP and the opposition GNP said they would cooperate in a "bipartisan" manner in keeping civic groups from linking the troop dispatch bill to the 2004 parliamentary elections. President Roh, on his part, urged lawmakers and civic activists not to block placing the bill to a vote.

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In examining the legacy of Kim Dae-jung's presidency, we can differentiate Kim's accomplishments into two separate areas: (a) domestic policy arena, and (b) foreign policy and inter-Korean relations. On the domestic policy side, the Kim Dae-jung presidency suffered from political handicap since his ruling party, the National Congress of New Politics (NCNP), was a minority party in the National Assembly. Following his inauguration in February 1998, the Kim government started with a bold program of reforming the political and economic system of South Korea. With much fanfare, Mr. Kim's transition team adopted a list of one hundred reform measures to be accomplished during his term in office.

To put the major legislative bills through the National Assembly, the Kim government had to rely on the support of its coalition partner, Kim Jong-pil's United Liberal Democrats (ULD). This strategy of building a ruling coalition with the ULD at the expense of giving up the prime minister position to Mr. Kim Jong-pil presented serious difficulties from the very beginning. The ROK Constitution, in Article 62 (Government in Parliament) and Article 63 (Recommendation for Removal), gives the National Assembly the power of consent to the presidential nomination of prime minister and members of the State Council. In the following six months, Mr. Kim Jong-pil failed to receive the legislative consent and remained as an acting prime minister during the crucial period of the Asian financial crisis in 1998. This was the time when the ROK's economy suffered a significant setback due to the raging financial crisis and the government accepted a financial bailout from the international community. Two years later, in the 16<sup>th</sup> general election held in April 2000, the voters punished Mr. Kim Dae-jung's ruling party now under the new label of the Millennium Democratic Party (MDP) for economic underperformance and rejected its bid to capture enough seats in the National Assembly to become the majority party.

Under the IMF supervision (1998-2001), the Korean government agreed to implement a series of profound economic restructuring measures, including the banking sector reform, the financial sector reform, the corporate governance reform, public enterprise restructuring, and others. But, the government economic reform policies were possible and effective only to the extent that domestic political support was available to forward legislation in the National Assembly. The Kim administration experienced difficulties from the outset in pushing the reform measures that required legislative enactment through the National Assembly.

During the first six months in 1998, most of the 100 major reform measures failed to materialize due to the lack of the legislative support and partisan compromise. Fortunately for the nation, the National Assembly had already enacted a total of thirteen financial reform bills during the month of December 1997. That enabled the incoming Kim Dae-jung government to identify and consolidate its major reform packages into four specific areas of economic reform and to direct its primary efforts in each of these areas -- financial, corporate, labor, and public enterprise sectors.

The April 2000 general election could be interpreted as a referendum on Kim Dae-jung's mid-term performance with respect to the economic recovery and restructuring reform. The ruling MDP again failed to secure a majority in the parliament during the general election for the 16<sup>th</sup> National Assembly held on April 13, 2000. By winning only 35.9% of the popular votes, the MDP placed itself behind the main opposition Grand National Party with 39% but ahead of the ULD with 9.8%. Under the new legislation, which reduced the number of seats in the National Assembly from 299 to 273, the ruling MDP received only 115 seats (district 96, proportional 19), whereas the main

opposition GNP won 133 (district 112, proportional 21) and the ULD only 17 seats (district 12, proportional 5).<sup>151</sup>

The 2000 parliamentary election also revealed the persistent problem of *regionalism* in Korean politics, especially between the Yongnam (Kyongsang) in the southeast and the Honam (Cholla) in the southwest. The opposition GNP won 64 seats out of 65 seats in Yongnam, whereas the ruling MDP won 25 out of 29 seats from Honam (even the four non-committed members elected later joined the MDP). Such regionally based general election results made it difficult to undertake the issue-based analysis and to identify social bases for reform policies (Ha, 2001: 33).

Following the April 2000 general election, Mr. Kim Dae-jung's MDP formed another ruling coalition with the now down-sized ULD once again. President Kim appointed the new ULD president Lee Han-dong as his second prime minister. But this arrangement broke down fifteen months later over the policy difference toward North Korea. The ULD members sided with the opposition GNP to pass a vote of no-confidence regarding a certain action by a key Cabinet member, Unification Minister Lim Dong-won, who was in charge of the Kim government's "sunshine policy" with North Korea. On September 3, 2001, the National Assembly passed a no-confidence motion by 148 to 119 votes.<sup>152</sup> Domestic policy differences between the MDP and ULD only exacerbated the September 2001 political crisis.

The South Korean state was caught in the spider-web of complex foreign and domestic policy issues unleashed by the forces of globalization in the world economy and the fallout from its

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<sup>151</sup> Yong-Chool Ha, "South Korea in 2000: A Summit and the Search for New Institutional Identity." *Asian Survey* 41, no. 1, 2001: 30-39, 32.

<sup>152</sup> Instead of dissolving the Cabinet, President Kim Dae-jung kept Mr. Lee as prime minister. By then Mr. Lee Han-dong was no longer a member of the ULD.

“sunshine” policy toward the North. When the shaky coalition with the ULD finally ruptured in September 2001, President Kim’s political leverage that he had accumulated thanks to his summit diplomacy came to an abrupt end within and outside the legislative body. Economic reform and engagement policies pursued simultaneously produced mixed results in the end.

*Mixed Results of Economic Reform*

During an inaugural address in February 1998, President Kim Dae-jung characterized his administration as a “Government of the People.” Mr. Kim’s logic was simple: his victory was realized by the power of the people, thereby accentuating an idea of democracy. Pledging himself to “overcome the national crisis and take a new leap forward,” Kim promised to promote simultaneously “democracy and a market economy.” His administration strove to address the pending economic crisis and help Korea to advance “from the ranks of industrial societies ... into the ranks of the knowledge and information-based societies where intangible knowledge and information will be the driving power for economic development” (Kim Dae-jung, Inaugural Address).

The primary task of the Kim Dae-jung administration, therefore, was to overcome the economic adversity following the 1997-98 Asian financial crises. The next task was to reform the economy operated under the IMF-imposed restrictions, by implementing the financial and banking reforms, as well as corporate governance and the labor market reforms.

The central focus of President Kim Dae-jung’s domestic policy, highlighting “a parallel development of democracy and a market economy,” was often called “DJnomics” or “Mass Participatory Economy.” One way of judging the level of success of “DJnomics” or Mr. Kim’s economic reform program is to examine the performance record of the Kim administration with

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respect to the economic recovery and restructuring objectives. The verdict on the Kim presidency is that he was successful up to a point in accomplishing the economic restructuring in accordance with the IMF prescriptions and in realizing his vision of the welfare state, but that he did not fully realize his stated objectives on the socio-economic reform agenda.<sup>153</sup>

### *Mixed Results of Engagement Policy toward North Korea*

The Kim administration had a record of mixed results on foreign relations and inter-Korean relations, including his engagement with North Korea under the so-called “sunshine policy.” President Kim Dae-jung’s “sunshine policy” toward the North was controversial from the very beginning. This policy initiative suffered a fatal blow, at least in the minds of his many critics, because of the “cash-for-summit scandal” as it came to be known in the Korean media circle. Before he stepped down as President, Mr. Kim Dae-jung admitted that he was aware of an illegal payment by the Hyundai business group to the North in the amount of estimated \$500 million. Hyundai claimed that its payment was part of the business deal. The latter involved the South Korean financing for a tourism project in Mt. Kumgang, a North-South railways link, and proposed construction of an industrial park in the Kaesong Industrial Zone in the North.

Because the money was borrowed from an ROK state-run bank, the opposition lawmakers charged that the payment for this transaction was tantamount to bribery for the summit talks between the two Korean leaders held on June 15, 2000. One of Kim’s campaign pledges in 1997, and his stated reform agenda during the transition, was to root out political corruption by severing close ties between the big business and the government

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<sup>153</sup> Elsewhere I discuss the policy success and failure of the Kim Dae-jung administration in a more specific detail. See: Young Whan Kihl, *Transforming Korean Politics: Democracy, Reform, Culture*. Armonk, NY: M. E. Sharpe, 2005: 289-296.



favors, popularly known as *Jungkyung yuchak* during an authoritarian phase of Korean politics. Clearly, the “cash-for-summit” scandal delivered a fatal blow to his “Mr. Clean Politician” image projected by the reformist candidate Kim Dae-jung during his numerous presidential campaigns in the preceding years.

In his apology, President Kim Dae-jung said, “I take responsibility for this situation” and added that “I earnestly hope that our people will understand my innermost feelings about the thing I did out of my desire to promote peace and our national interest.” In the court of law, however, Mr. Kim should have known that not the motive but the action would reign, and his critics and future historians would judge him harshly. The process and outcome of the parliamentary inquiry and criminal investigation into the legality of the Kim administration’s actions in preparation for the first North-South summit marred his legacy in improving the inter-Korean relations and undermined the credibility of his “sunshine policy.”

Mr. Roh Moo-hyun campaigned on a platform of continuing Mr. Kim’s engagement policy. He was compelled to seek a political settlement in the end, through inter-party negotiation and agreement between his government and the then opposition-dominant National Assembly. In answer to a reporter’s question: “Will you continue the 'sunshine policy'?” The President-elect Roh Moon Hyun answered:

I don’t think there is a particular reason  
for my policy to be different from  
the former President’s policy. I will try to  
improve the methodology by consulting  
with the opposition party and winning  
more approval of the people and  
increasing transparency of the process.

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Roh added, however, that he would term his approach to North Korea as the “Peace and Prosperity Policy.”<sup>154</sup>

### *Critical Assessment of President Kim's Accomplishments*

The irony of history is that the Kim Dae-jung presidency achieved much by the standards of most Korean presidencies since 1987. Bringing the South Korean economy out of the abyss of the 1997-98 Asian financial crisis in two and half years, ahead of the target of four years as set by the IMF, Mr. Kim laid the foundation for a more transparent, competitive Korean economy and a better than expected economic growth that the country enjoyed in the post-IMF years.

During Mr. Kim's presidency, South Korea became more democratic as a society, wired to the Internet, and based on a knowledge-intensive infrastructure. Mr. Kim's administration promoted a freer, more open, and globalized society, which demonstrated its achievements worldwide during the co-hosting of the Soccer World Cup and the Busan Asia Games in 2002. The media coverage of these sports events also showed Korea's younger generation of sports fans – “Red Devils” – as being exuberant, while remaining “Kool.”

This positive image of Mr. Kim's accomplishments was compromised by the scandals associated with bribery and corruption. The conviction of his two sons and close aides on bribery charges, and the new payoff scandal over the inter-Korean summit, are telling examples of why President Kim Dae-jung's legacy will remain tainted. Ten days before his term was to end, outgoing President Kim Dae-jung apologized for the money scandal that involved his government's authorizing a branch of the Hyundai Corporation to transfer nearly \$200

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<sup>154</sup> “I Will Do My Best to Remove the Differences.” *Time Asia*, Vol. 161 No. 8, March 3, 2003.

million to North Korea, just a few days before the historic June 2000 summit in Pyongyang. His apology raised suspicions among the public that the Blue House had bought the summit, for which Mr. Kim won the 2001 Nobel Peace Prize.<sup>155</sup>

The subsequent criminal probe led to the conviction of two high-ranking aides to former president Kim Dae-jung. Although President Roh Moo-hyun called for a political rather than a legal resolution of the scandal, the opposition GNP pressed for a parliamentary investigation on the related charges of a \$500 million illegal transfer of funds to North Korea that also involved the National Intelligence Agency.<sup>156</sup>

Despite his repeated apology and appeal for public understanding, the full truth should be known through an on-going investigation by the National Assembly special panel. The rule of law and transparency, rather than the rule of man and expediency, should prevail in the end. That would complete the process of consolidation of South Korea's fledgling democracy.

President Kim Dae-jung's overall accomplishment in public service was compromised by his personal misfortune associated with the bribery and corruption charges involving his family members. His youngest son, Hong-gol, was arrested and held without bail, on May 18, 2002, after three days of interrogation about his role in a bribery and influence peddling scandal that had shaken his father's government on the eve of Seoul hosting the 2002 World Cup.<sup>157</sup>

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<sup>155</sup> "S. Korean Leader Sorry for Summit Scandal," CNN.com. December 3, 2003.

<sup>156</sup> Ibid.

<sup>157</sup> Kim Hong-gol flew in from Los Angeles, where he had been a graduate student and researcher at an American university. He was to answer a summons about a widening scandal involving aides and relatives of the president and his wife, Lee Hee-ho. Mr. Kim's arrest followed the arrest of a prominent lobbyist and president of a sports lottery firm, Choi Kyu-sun. Prosecutors charged that Mr. Choi arranged the transfer of nearly U.S. \$2

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Close ties in government-business relations have always existed in South Korea, which constitutes a source of political corruption and is often dubbed “crony capitalism.”<sup>158</sup> The Kim Dae-jung administration violated its own declared policy of economic structural reform in its dealings with North Korea. In September 2003, five government officials and one Hyundai Asan executive were convicted on corruption charges stemming from the “summit payment scandal” related to the June 2000 inter-Korean summit. Hyundai Asan chairman Chung Mong-hun, who was under indictment for illegality channeling money to the North, took his own life in August 2003.<sup>159</sup>

Koreans tend to be harsh on their incumbent presidents when their terms near an end. But President Kim Dae-jung’s loss of popularity and support in his final year was largely of his own making. Mr. Kim had only himself to blame. “Even his supporters say Mr. Kim was better as an opposition leader than as a President.” President Kim Dae-jung’s habit of relying on a small clique of family and friends and his self-confidence bordering on arrogance helped him survive as a dissident. As President, that trait proved to be a liability. Mr. Kim ran an imperial presidency.<sup>160</sup> While he fought for democracy, he never

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million in bribes. Donald Kirk, “South Korean Leader’s Son Is Arrested in Bribery Case.” *New York Times*, May 19, 2002: A-12.

<sup>158</sup> David Kang, *Crony Capitalism: Corruption and Development in South Korea and the Philippines*. New York: Cambridge University Press, 2002.

<sup>159</sup> How far President Roh Moo-hyun would go to press former president Kim Dae-jung to stand trial on charges of “bribery” or even “sedition” was unclear. In the end, Mr. Roh chose not to go along with the National Assembly probe of Mr. Kim on “bribery and corruption” charges. In so doing, Mr. Roh reversed the precedent set by his predecessors who placed the former presidents on public trial. For an analysis of this episode, see: Kihl, *Transforming Korean Politics*, pp. 128-133.

<sup>160</sup> Donald MacIntyre, “For One Old Soldier, The Battle is Over” *Time Asia*, Vol. 160, No. 22 (December 9, 2002).

fully understood that the rules of democracy involving transparency and accountability also applied to him.

At the end of his five-year term in office President Kim Dae-jung was described by one foreign correspondent, who interviewed him frequently, as becoming “a lonely, almost tragic figure, deeply unpopular, politically spent and increasingly irrelevant.” Mr. Kim Dae-jung’s term, “which began so full of promise, ended sadly, with an old man unwanted by his people.”<sup>161</sup>

### **Policy Promises Made by Candidate Roh Moo-hyun**

During the presidential campaign and the transition period before the inauguration, Mr. Roh Moo-hyun adopted the following positions on major policy issues. First of all, Mr. Roh promised to fight against government corruption and implement political reform. He distanced himself from the scandals related to the former President Kim Dae-jung’s family and aides. Mr. Roh also promised to disclose his own assets and those of his family members, thereby following the precedent of ex-President Kim Young-sam.

Second, as part of his plan to equally balance national economic development, Mr. Roh vowed to relocate Korea’s political and administrative center to the vicinity of Taejeon in the center of the country. The purpose was to relieve congestion and curb skyrocketing housing prices in the capital city of Seoul, and to stimulate regional economic growth and political autonomy. Mr. Roh campaigned on the platform of transcending regional favoritism and bias once and for all in favor of promoting regional balance and harmony.

Third, in the economic area, Mr. Roh made it clear that his administration would continue the previous government’s

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<sup>161</sup> *Ibid.*

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growth-oriented economic policies. He also promised to be tough on the family-run conglomerates and to reduce the *chaebol's* dominance of the Korean economy, as well as to eliminate the long-standing practice of government-business collusion.

Fourth, as part of his social reform plan, Mr. Roh Moo-hyun pledged to implement a five-day workweek and improve social benefits for the working class. These measures should cover foreign guest workers, as well. He promised to fight back inflation in consumer prices and restrain the rise in real estate prices.

Fifth, in the area of the inter-Korean relations, Mr. Roh vowed to continue his predecessor's "sunshine policy" of engagement with and aid to the DPRK. He said North Korea should be persuaded to abandon its nuclear weapons program through dialogue and negotiations. He ruled out the use of force in settling the nuclear dispute, saying Seoul wants neither war nor the collapse of the North Korean regime. He also said he was opposed to cutting off aid or imposing sanctions since that would lead to diplomatic isolation of the North Korean state. He advocated the need to resume the U.S.-DPRK dialogue as a way of settling the outstanding issues.

Finally, expressing his position on the future of the U.S.-ROK alliance, Mr. Roh said that "the fifty-year-old alliance should be modernized to put Seoul on a more equal footing with Washington, reflecting South Korea's economic and political development." He pledged to work closely with Washington to resolve the crisis over the North's nuclear ambitions. But, he also said he sought a more prominent role for Seoul in dealing with the security issues posed by Pyongyang. Mr. Roh said the United States would remain a key ROK ally whose military presence would continue to strengthen the security of South Korea and its neighbors. He promised to seek serious

amendments to the Status of Forces Agreement, a military pact that governs the status of the 38,000 U.S. troops in South Korea.  
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### **Challenges Facing the Roh Moo-hyun Presidency**

As a way of implementing some of the above-mentioned campaign pledges, the Roh administration issued a plethora of executive directives and proposed a number of appropriate legislative acts.

For instance, in the light of his anti-corruption stance during the presidential campaign, it was no surprise that President Roh Moo-hyun decided not to “veto” an opposition-sponsored legislative bill authorizing a special prosecutor to investigate the accusations of payoffs known as the “cash-for-summit scandal.” The National Assembly passed the special prosecutor bill at the time of Mr. Roh’s inauguration despite the parliamentary objections from the ruling MDP. Mr. Roh had to acquiesce to the opposition GNP-led parliamentary investigation of the under-the-table dealings between the previous administration and Pyongyang, despite his loyalty to the former president and repeated condemnations from North Korea denouncing the bill as an act of sabotage against the North-South reconciliation, because he wanted to ensure a prompt confirmation of his first prime minister designate in order to move expeditiously to form his first Cabinet at the earliest possible time, following the inauguration. Hence, President Roh decided not to block the legislative mandate to investigate the scandal, thereby allowing the public to learn about the facts surrounding the scandal.

Some of the major problems facing the Roh presidency include the following:

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<sup>162</sup> “Where S. Korea’s new president stands,” CNN.com, February 27, 2003.

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- How to reconcile the competing interests, partisan versus national, on the key controversial policy issues. His difficult choices relate to such policy areas as national security, inter-Korean exchanges, the economy, social welfare, and so on.
- How to resuscitate the sagging Korean economy.
- How to reinvigorate the inter-Korean economic exchanges, including the North South railway links, now on hold.
- How to realize the campaign pledges on a series of reform measures, such as with respect to the constitutional amendment to enhance the prime minister status and to promoting legislative-executive cooperation.
- How to reform the bureaucracy and to privatize state-owned enterprises.
- How to improve the press-government relations and to undertake educational reforms.
- How to repair the damaged alliance relations with the United States and also promote good neighborly relations with Japan, China, and Russia.
- How to bring about “the vision of making Korea the regional hub in Northeast Asia,” as pledged during the campaign.

Depending on how well the Roh administration will cope with these problems in the days ahead, the future course of the Roh presidency may be more focused on continuity rather than change in the ROK’s democratic politics. The future scenario of South Korea’s institution-building seems to be more path-dependent and less subject to a radical change and shifting of the roadmaps. Mr. Roh’s leadership style, as manifest in the personnel policy of cabinet appointments, for instance, gives assurance that more continuity than change in policies is in the offing.



The appointment of Mr. Goh Kun as President Roh's Prime Minister is the case in point. Mr. Goh is a veteran administrator who had served as a Cabinet member in the administrations of ex-presidents not only of military generals Chun Doo-hwan and Roh Tae-woo but also of Democrat Kim Young-sam. He was a prime minister under the Kim Young-sam administration, and served also as the two-time Mayor of Seoul, the first time appointed and the second as elected. In his mayoral election, Mr. Goh was supported by President Kim Dae-jung's ruling party MDP. As a long time civil servant, Mr. Goh brought his talent and experience to the Roh government, the virtues that President Roh Moo-hyun seemed to lack. Hence, Mr. Goh worked hard to balance the Roh presidency.

President Roh's appointment of the younger Cabinet members and his efforts to bring new talents to some ministries are also noteworthy. This may reflect Mr. Roh's desire to balance his Cabinet with both old and new personnel and to break with tradition. The appointment of Mrs. Kang Kum-sil, a 46-year-old former judge, as the first female Justice Minister in a traditionally patriarchial Confucian Korean society is a case in point. This may represent a clear sign of Mr. Roh's determination to reform the government bureaucracy where the strict seniority rule has prevailed for decades. In fact, immediately after her appointment, many veteran judges and prosecutors expressed their uneasiness because some senior judges were bypassed in the selection process: Mr. Roh appointed a relatively young and less known civil rights lawyer who came from outside the ministry to the displeasure of many more senior insiders.

In the manner of breaking with the past tradition, the portfolio of the Minister of Culture was given to Mr. Lee Chang-dong, the film director, who was an outsider criticizing the ways in which the government ministry was run in the fields of media and communication. The new Minister Lee pointed to the

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bureaucratic red tape in the Korean society as the main culprit responsible for the Taegu subway tragedy, by insisting that “No one takes responsibility or makes decisions and officials hide behind prudence.” Under his leadership a new media guideline was announced to replace the existing practice of government and media relations.<sup>163</sup>

Mr. Roh vowed to deal sternly with inaccurate news reports and to correct inappropriate practices within the industry. He declared his intention to “wage a war against misreporting” by making the press room in the Blue House open and available to all news organizations through scheduled briefings and the rule of transparency. The new guideline means a tightened regulation on newspaper reporters who want to meet ministry officials. Reporters must use their own name, if the sources are quoted in news stories.

Mr. Roh has retained several veterans in his Cabinet (like Unification Minister Jung Se-hyun) and brought new faces (like Foreign Minister Yoon Young-kwan) into his first Cabinet. His National Security Advisor, Mr. Ra Jong-yil, and Foreign Policy Advisor, Mr. Ban Ki-mun, staffed their teams with able and experienced aides. Mr. Roh appointed a former human rights lawyer as the head of the National Intelligence Service. The new spy agency director, Mr. Ko Young-koo, is a judge-turned lawyer and a founding chairman of Minbyun, Lawyers for a Democratic Society, to which Mr. Roh himself belonged as a civil rights lawyer in the past.

The challenges facing Roh Moo-hyun’s presidency are many but the following three seem to stand out. He has to lead the country so as (1) to overcome North Korea’s nuclear brinkmanship, (2) to continue the path of democratic reform and democratic

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<sup>163</sup> “Roh Sets New Media Relations,” *The Korea Herald*, March 17, 2003.

institution building, and (3) to carve an appropriate place and role for South Korea in the globalized world economy.

The first challenge for President Roh Moo-hyun is “how not to succumb to North Korea’s blackmail and brinkmanship strategy.” This means that Seoul cannot afford yielding to North Korea’s undue pressure and self-righteous stance on inter-Korean relations and the issue of reunification. Hopefully, the latest program involving the three-year surplus rice delivery to the North without charge announced by the Roh administration will not amount to free handout but will better be managed and coordinated as a constructive and comprehensive policy package for improving inter-Korean relations. In answer to the reporter’s questions, “What must be done to ensure that we will not have a nuclear-armed North Korea tomorrow?” President Roh Moo-hyun replied:

I believe North Korea understands that you cannot have nuclear weapons and opening up and economic prosperity at the same time. And I also believe that North Korea is aware that it must renounce its nuclear weapons in order to get a guarantee for international security and economic assistance.<sup>164</sup>

The second challenge for Roh presidency is “how to strengthen democracy through democratic consolidation and institution-building in South Korea.” What should be the proper role for political parties and the civil society groups, for instance, in promoting active and meaningful citizenry participation in the political process? Democratic consolidation through institutional reform must continue, without fail, during the entire course of the Roh presidency.

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<sup>164</sup> “I Will Do My Best to Remove the Differences.” *Time Asia*, Vol. 161 No. 8, March 3, 2003.

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Mr. Roh is on the record to favor replacing the current single-seat constituency system with a multiple-seat system in general elections. This parliamentary election reform should curb, as Mr. Roh sees it, regional rivalry, and strip the presidential position of what he deems to be an “enormous” amount of power. He also stated that he would allow the majority party the right to form the Cabinet one day. Mr. Roh also favors a primary race to nominate candidates for nationally elected posts.

The third challenge facing the Roh presidency is “what should be an appropriate international role for South Korea?” What policy blueprints and grand strategy should South Korea adopt so as to act as a responsible member of the regional and global community of nations in the new millennium?

For example, the Ministry of Maritime Affairs and Fisheries, in which Mr. Roh Moo-hyun once served as Minister in the Kim Dae-jung administration, has announced a plan of constructing new facilities in the Pusan Harbor and Kwangyang Port to realize the vision of the Roh government to make Korea the logistics hub of Northeast Asia. The Roh administration contemplates more than just repairing an existing infrastructure and strives to advance a new vision and a comprehensive and concrete program for how to make Korea the logistics hub of Northeast Asia, which was one of Mr. Roh’s presidential campaign promises to the Korean people.

### **Mr. Roh’s Handicap Politics?**

The first year of the new democracy under the Roh Moo-hyun presidency was judged to be not as successful or smooth as his predecessors, either the Kim Young-sam or the Kim Dae-jung administrations. Mr. Roh, who had won the December 19, 2002, presidential election as the Millennium Democratic Party (MDP) candidate, announced that he would quit the party and join a new

party formed by a dissident group of the former MDP lawmakers. The break-up of the ruling party, on September 20, 2003, followed months of feuding between the lawmakers loyal to Mr. Roh and others loyal to the party's founder, former president Kim Dae-jung.

President Roh's new party (called the United New Party for Participatory Citizens), or Open Uri Party, controlled only 47 seats in the 273-seat National Assembly prior to the April 2004 general election, compared with 149 seats belonging to the main opposition Grand National Party, 60 seats of the MDP, and 17 seats of the remaining independents including former United Liberal Democrats. Mr. Roh's presidency does not depend on parliament, but his ability to rule can be hampered by parliamentary delays.

Unexpectedly, a crisis of confidence erupted when President Roh Moo-hyun called for a national referendum around December 15, 2003, to see if he should continue to rule: he promised to step down from his office if he lost public support. "I reached a situation in which I cannot conduct the presidency," Mr. Roh said in a televised speech. "It is more important to establish a political culture of taking responsibility and to lead national politics in the right direction than to complete my five-year term," Roh stated.<sup>165</sup>

The confidence vote never materialized, however, because his critics interpreted this bombshell proposal as a calculated ploy to elicit voters' sympathy away from the corruption scandals involving his close aides and a hostile parliament. The Constitutional Court, by a vote of 5 to 4, ruled against the legality of the proposed national referendum. In the opinion of the Constitutional Court, the issues at stake did not constitute a

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<sup>165</sup> John Larkin and Donald MacIntyre, "Crisis of Confidence." *Time Asia* 162, no. 15 (October 20, 2003).

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grave matter of economic emergency or national security, which would necessitate the calling of a national referendum.<sup>166</sup>

Mr. Roh's aide of twenty years was arrested and accused of receiving \$956,000 in bribes from SK Group, a scandal-plagued South Korean conglomerate. Two of his close aides were also subject to internal government investigation. The necessary legislation to enable referendum was not enacted by the opposition dominant parliament. Instead, the National Assembly voted to appoint an independent investigator to oversee a corruption investigation focusing on Mr. Roh's former top aides. As President Roh vetoed this bill, saying that it was premature to appoint an independent counsel given a probe underway, the opposition GNP organized a legislative boycott that paralyzed the parliament for eight days.

On December 4, 2003, the National Assembly overruled Mr. Roh's veto of the slush fund probe with an overwhelming vote: of 266 lawmakers who voted, 209 endorsed the motion to overturn Mr. Roh's veto, while only 54 voted against, one legislator abstained, and two votes were declared invalid. The ROK law requires a two-thirds majority to override any presidential veto and Mr. Roh cannot again veto the bill. This was the first time in 49 years that the National Assembly rejected a presidential veto, and this move set the stage for a further showdown over legislative impasse between the two branches of the ROK government.

The last time the parliament overrode a veto was in 1954 when the then-President Syngman Rhee dismissed a criminal procedure bill allowing the National Assembly to demand the release of a lawmaker in custody. Lawmakers said then that the enacted legislation was needed to prevent the government from

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<sup>166</sup> It was the former speaker of the National Assembly, Lee Man-sup, who made the request for the court ruling.

exploiting judicial power to suppress the opposition.

Before December 9, 2003, when the legislative session ended, the National Assembly was still to vote on a total of 1,205 bills, including the following year's budget bill.<sup>167</sup> A special legislative session was called in to dispose of these bills including appropriations and sending of 3,000 combat troops to Iraq. The president's office expressed its "regret" but indicated that the government would respect the assembly's decision.<sup>168</sup>

Mr. Roh had been in office for only eight months when his approval ratings plummeted to 25.6 percent from 80 percent.. The Roh administration was open to attacks by the press and the opposition over economic recession, financial scandals involving his close aides, and mishandling of the North Korean nuclear issue and relations with the United States.

### **Sustaining the U.S.-ROK Relations**

The Roh government repeatedly expressed its desire to strengthen the ROK alliance ties with the United States. Upon his appointment, Prime Minister Goh Kun announced that Seoul was opposed to the scaling down of the U.S. troop presence in Korea, including a reported change in the "tripwire role" played by the U.S. Second Infantry division deployed along the DMZ. The U.S.-ROK joint military exercise, Foal Eagle, was successfully launched as the new Roh administration was taking office in March 2002.

Mr. Roh's Cabinet also endorsed a plan to contribute a token number of the ROK troops to the U.S.-led war on Iraq and urged the National Assembly to pass such a bill without delay. Mr. Roh announced his intention to dispatch a non-combat

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<sup>167</sup> "S. Korea Opposition to End Boycott," *CNN.com*, December 3, 2003.

<sup>168</sup> "ROK Parliament Overrides President's Veto of Slush Fund Probe," *CNN.com*, December 4, 2003.

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engineering unit of 600 soldiers and about 100 medical personnel to support coalition forces and also to take part in post-war rehabilitation efforts. By making a timely promise of his “active support” of the unpopular war, President Roh bet on a chance to rescue the damaged U.S.-Korea alliance that he regarded as indispensable not only in deterring another devastating war on the peninsula but also in pursuing inter-Korean reconciliation.

The twice-delayed legislative vote on the troop dispatch bill turned out to be highly controversial due to the anti-Iraq War popular protests. In the end, the bill received an overwhelming endorsement, with 179 in favor, 68 against, and 9 abstentions. On December 17, 2003, the ROK Defense Minister announced that South Korea would send 3,000 troops to Iraq in early 2004 in addition to the 675 medical and engineering personnel already dispatched in 2003.

This was a major victory for President Roh, who told the parliament that sending the troops would strengthen Seoul ties with Washington, which he argued was essential for a peaceful solution to the DPRK nuclear crisis. In his first address to the National Assembly, Mr. Roh acknowledged that many in the country were opposed to the U.S. war in Iraq but said that “regretfully, international politics are swayed by the power of reality, not by principles.” Seoul also announced its plan to donate 10 million U.S. dollars to assist the war refugees in Iraq through various U.N. agencies, including World Health Organization and the World Food Program. In this way, Mr. Roh defended his foreign policy decision on pragmatic grounds as driven by the “forces of reality.”

## **Conclusion**

A few parallels and lessons can be drawn between the present and the past administrations that could prove useful for President



Roh Moo-hyun when he contemplates how to chart his own path over the next few years.

First, the political transition from the old to the new administrations in 2002-03 was smooth and orderly, but also somewhat different from the previous cases of the Kim Young-sam and Kim Dae-jung administrations. Whereas the inauguration of the Kim Dae-jung presidency in 1998 meant a genuine change of political regimes from the ruling party to an opposition party, this was not the case with the Roh presidency. Despite the fact that President Roh's ruling MDP suffered from an intra-party factional schism, the 2002-03 political transition was much closer to the case of 1992-93 where Mr. Kim Young-sam succeeded the Roh Tae-woo presidency as a successor regime. Therefore, one can see *more continuity than change* in policies from the 2003 political transition and succession.

Whereas Mr. Roh Moo-hyun is likely to decide not to press for the court-marshal of the ex-president on charges of "bribery," or even "sedition charges," it still remains to be seen how far Mr. Roh will let loose the National Assembly probing of the former President Kim Dae-jung on "bribery and corruption" charges in the light of past historical precedence of public trials of former presidents in Korean politics. In 1995, the then-president Kim Young-sam placed ex-presidents Chun Doo-hwan and Roh Tae-woo on public trial, although he acted eventually to give amnesty to both generals just in time before his term in office was to end in 1998. President Roh Moo-hyun as an ex-lawyer will know what to do toward his predecessor, in case of a conviction of Mr. Kim Dae-jung for bribery and corruption charges.

Second, since the 2003 regime change was from the ruling party to the same ruling party, one may say that the South Korean democracy has gone through an increasingly mature, institutionalized, stable, and routinized process of political transition.

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Third, the transfer of power from the MDP of President Kim Dae-jung to the MDP of president Roh Moo-hyun, even if it was between the varying intra-party factions of the ruling MDP, may assure greater stability and continuity in politics and policies, especially in substance if not in style and appearances.

Fourth, it is still unclear whether the intra-party process of political succession can be applied to the progressive wing of the MDP as well as to the conservative wing of the GNP. However, the 2002 presidential election has set a precedent that may be repeated, if the similar circumstance of divided government continues to persist.

Finally, South Korea's party politics and party system must go beyond the bossism-based, top-down hierarchy in its structure and process of partisanship and leadership recruitment. Instead, the primary system, that was instituted by the Roh Moo-hyun candidacy within the MDP in the course of the 2002 presidential election campaign, and that led to his nomination and victory, may have laid the groundwork for institutionalizing and consolidating the democratic and participatory process of Korean party politics for many years to come.

