4

"Reform Halfway Down?"

Cultural Dimension of Democratic Consolidation

People need virtue more than fire or water. I have seen men die for treading on water or fire, but I have never seen a man die from pursuing the course of virtue.

The Analects of Confucius, *Book XV*

We live in a democratic age . . . [where] "democracy" means "the rule of the people" . . . and the shift of power downward [is called] "democratization." . . . The democratic wave is . . . breaking down hierarchies, empowering individuals, and transforming societies well beyond their politics.[1]

Fareed Zakaria, 2003

"Democratic transition" away from authoritarianism, as noted in Chapter 3, must be followed by an equally successful "democratic consolidation" if a nation's democratization and institution building are to be viable. This chapter and Chapters 5 and 6 will therefore examine some of the ongoing processes of democratic consolidation and institution building (the third and fourth tasks of democratization) to see how successfully the Sixth Republic has progressed along the path to the complete democratization of politics. This chapter will turn, in particular, to examine how democratic reform politics and agenda setting were undertaken by Korea's new democracy, following the successful democratic transition. The cultural context of reform politics in this chapter follows an earlier discussion in Chapter 2 on the role of the Confucian cultural legacy in realizing the ideals of modernization and democratization.

As the new ideas of democracy were put into effect by the Kim Young-Sam administration, how were the programs of political reform and reform agenda setting influenced by cultural norms? Or, conversely, how did they cause a culture shift? As "culture matters" in shaping ideas and values in the post-Confucian society of Korea, a new set of ideas like modernization and democratization have also come to influence the government policies that, in turn, will bring about cultural changes. In the process of culture shift, traditional norms and values as well as modernization ideals will influence action by shaping a repertoire (or

"tool-kit") of "habits, skills, and styles" from which to construct "strategies of action" on reform agenda (Swidler, 1986: 273, 277).[2]

This chapter will first clarify the conceptual and theoretical questions of what reform entails, in the light of the challenges of democratic consolidation. This will be followed by analyses of the efforts of the Kim Young-Sam administration (1993–1998) to deepen democracy building via a broad reform agenda, an effort that was arguably culturally conditioned. The study will, in particular, examine the record of President Kim's leadership in advancing the domestic political agenda of democratization during his five-year term. This will enable us to evaluate the contribution of the Kim Young-Sam government toward democratic consolidation during this period.

The spectacular rise and fall of Kim Young-Sam as a political reformer will illustrate how South Korea was still beholden to Confucian cultural norms (Hahm, 1997: 65–77). When Kim Young-Sam was elected president in December 1992, South Korea's Sixth Republic seemed to be embarking on a new era of democratic reform politics. Kim Young-Sam was the first civilian head of state to be elected to the office in thirty-two years. His election was hailed as a success story, with South Korea blazing the democracy trail in Asia. Kim's electoral victory represented the Korean people's aspiration toward liberal democracy. As a candidate, Kim campaigned on the slogans of "clean government" and "new politics." The Kim Young-Sam administration was able to launch a set of far-reaching and wide-ranging reforms aimed at bringing about "reform all the way down" and transforming the Korean society overnight.

The reforms launched by the Kim Young-Sam government resulted in the purge of numerous public officials, old politicians, businessmen, and military officers, touching on the core of the elite leadership of the Korean establishment. Initially, President Kim enjoyed widespread popularity and strong support among the Korean public. Yet, with the passing of time, Kim's reform lost steam and became unpopular, to the extent that his approval rating, which reached as high as 92 percent at one point, began to decline after a year and a half into his tenure. Toward the end of his five-year term, the president was stripped of all his authority, and many considered his earlier reform agenda to be an abject failure (Hahm, 1997: 66). The attempt of the Kim Young-Sam administration to bring about democratic consolidation through reform measures unfortunately ended with mixed results. "Reform halfway down" was what transpired in the end.

At the outset, it is useful to clarify how reform is related to democracy. Although the ideas of democracy originated from Western culture, reform is a universal concept and has been attempted in both democratic and nondemocratic contexts. Both reform and revolution bring about change to the established political order. Unlike revolution, however, reform intends to create change, "step by step," by peaceful means. Revolution, on the other hand, entails an abrupt form of political change and transformation of the society that involves, in most cases, the use of force and violence.

Reforming Post-Confucian Society

Reforming a rapidly developing and modernizing country is a political challenge that is by no means an easy undertaking. Some countries have tried but failed, while others still wait for the verdict. The former Soviet Union under Mikhail Gorbachev, for instance, succeeded in *glasnost* but failed in *perestroika.* In post-Mao China, under Deng Xiaoping and his successor Jiang Zemin, a dual transition in communist systems took place that followed the path of economic reform through marketization and the evolutionary authoritarian route in politics (Pei, 1994: 19). The politics of economic reform is often compared to "riding the tiger," in which once "you're riding a tiger, it's hard to get off" (a Chinese saying cited by White, 1993: 3). Even in established democracies, like Japan, political reform is rarely successful because of the peculiar political culture and the strongly entrenched and vested interests that are opposed to political change. The challenge became even more acute in Korea's Sixth Republic as it attempted to achieve the double breakthrough of political reform (democratization) and economic reform (marketization) when the society was undergoing slowed economic growth and domestic political changes.

The Post-Confucian Society and Reform

The post-Confucian society, according to Peter R. Moody, is "society that once was Confucian but is not quite so any more" (1988: 3). Confucianism, the reigning ideology of the Choson dynasty (1392–1910), as already noted in Chapter 2, left its lasting legacy on Korean society. Modern-day Korea has clearly been a post-Confucian society. The imprint of Confucian culture is pervasive throughout contemporary Korean life, as is evident in politics and economics. An important question in the study of Korean politics is to ask how the ideas of modernization and democratization affect, and are impacted by, traditional cultural values and norms.

A democratic society is governed by institutional rules and arrangements for enabling a peaceful and orderly transfer of power, via election and the electoral process, between the regime and the political opposition. The ruling and opposition parties in the National Assembly vied for electoral support and victory to form a representative government in South Korea. The political contest between the *yo* (the ruling) and the *ya* (opposition) was like a cutthroat competition in Korean politics. This led to the fierce competition between the ruling and opposition parties in the National Assembly from 1985 to 1987 that culminated in the democratic opening in 1987, as discussed in Chapter 3.

Throughout Asia, as in South Korea, "the drama of politics is being played out by leaders and followers whose roles are largely prescribed by culturally determined concepts about the nature of [politics and] power" (Pye, 1985: vii). The cultural theory of politics, following Lucian W. Pye's lead, posits that "political

power is extraordinarily sensitive to cultural nuances," and therefore "cultural variations are decisive" in determining a country's political life and the course of its political development. In this politically charged environment, the ideas of modernization and democratization have been adopted by the intellectual elites and put into effect by the successive governments. This followed the successful political transition, away from authoritarianism toward liberal democracy in the late twentieth century.

The ideas of modernization have worked to alleviate poverty and enhance prosperity for the Korean people. These ideas were adopted by the government and put into effect as economic development policies and programs. However, whether the ideas of democratization can usher in an era of democratic peace and happiness for the Korean people remains to be seen. These ideas were put into effect as the reform agenda by the democratic government, but the causal path between ideas and democracy is more complex. The reform agenda must filter through cultural values and context, as the subsequent analyses will show.

In the post-Confucian society of East Asia, where modernization has not quite taken hold, there is a tendency for authoritarian politics to strengthen the political state and to weaken nascent civil society. Under such circumstances, it is difficult to aggregate social interests. A civil society in the post-Confucian context means that "practical infra-structure and countervailing institutions [that are] able to check the monopolization and abuse of state power did not arise" (de Bary, 1998: 16). The post-Confucian society will exhibit the rise of the clearly demarcated political forces of the regime and the opposition. Neither regime nor opposition in post-Confucian society will have a fixed social base in which to operate; the regime will be compensated for this lack by its coercive power, while the opposition tends to remain divided and weak (Moody, 1988: 10). Under these circumstances, which prevailed in the authoritarian politics of Taiwan and South Korea prior to the democratic opening, "there was little to push political development in a democratic direction" because, as Moody notes, "lip service to democracy was virtually universal in these societies both among regime and opposition" (10).

Korean political culture is a variation of East Asian Confucian ideology and value systems that, according to Pye (1985), are characterized by "a bold, risk-taking style" and "by extremes" of political action. In this view, "the Koreans have a strong attachment to disciplined and formal manners, to deference, and to a stiff and aloof style of authority; yet Korean culture also tolerates brashness and cockiness toward authority, boldness of action by leaders, and self-assertiveness by practically everyone. . . . The gentleness of the Confucian scholar-superior can at any moment give way to brusque and often cruel assertions of authority" (58).

Contrary to the popular notion, Confucianism and reform are not incompatible. Confucius was a reformer in his time, and many reforms were likewise attempted in traditional Confucian China and Korea. In the late nineteenth century, imperial China suffered from an ill-fated reform movement of 1898 that was led by Tan Sitong, Liang Qichao, and Kang Youwei. In fact, Kang wrote a treatise called

Confucius as Reformer, placing Confucius as a progressive reformer in his time rather than a status-minded ideologue (de Bary et al., 1960: 730–735; Eckert et al., 1990: 222–230).

Confucianism and Western-style democracy may not necessarily be incompatible. In fact, according to Francis Fukuyama, "there are fewer points of incompatibility between Confucianism and democracy than many people in both Asia and the West believe" (1995c: 21). The post–World War II "modernization theory" has proved correct because economic development tends to be followed by political liberalization whether in the West or in East Asia (21). The future of democracy in Asia will depend, therefore, "less on the theoretical compatibility or incompatibility of Confucianism with democratic principles" than on "whether people in Asia feel that they want their society to resemble that of the United States" or any other democracies in the West (32). In the meantime, Korea's Sixth Republic created its own approach to and style of democratic consolidation.

The Sixth Republic under Roh Tae-Woo accomplished the feat of reform and transformation via state reform, as Robert E. Bedeski (1994) argues. That is, reform led by the state from above. The challenge of democratic reform in post-Confucian Korea, however, has been to turn the direction of this reform around and become a reform led not only by the state from above, but also by the civil society from below. This will make the reform movement genuinely popular and democratic, in that both the state from above and the citizen movement from below can go hand in hand to transform the society toward modernization and democratization. Democratic reform in the post-Confucian society of Korea is, in short, perfectly feasible.

Once democratic transition is complete, the democratic regime is expected to pursue an agenda of reform politics. Political reform is a slow and deliberate, yet no less significant, process of political change that is peaceful and evolutionary. Political reform, if it amounts to anything, should do more than improve the administrative procedure designed to terminate corruption or make the existing system more efficient. (This is how the phrase "political reform" is frequently employed in urban politics in the United States.)

Political reform, to be meaningful, should constitute more than limited changes in government institutions. In the context of putting the ideas of democratization into effect, reform must represent full integration of what it stands for into all aspects of society. To accomplish this requires a culture shift away from traditional culture norms toward greater civic culture and democratic orientation.

The Challenges of Democratic Consolidation via Reform

Once the democratic transition was complete, South Korea's Sixth Republic was ready to move to the next logical stage of democratic consolidation. Both democratic transition and democratic consolidation can be conceived of as a continuum and yet these processes are distinctive and may also overlap. When the

initial stage of democratic transition is instituted and promoted, the subsequent step of democratic consolidation must also begin as a result of the initiation of reform measures (Diamond, 1999; Karl and Schmitter, 1991; O'Donnell, Schmitter, and Whitehead, 1986).

The process of democratic consolidation, as J. Samuel Valenzuela notes, typically "consists of eliminating the institutions, procedures, and expectations that are incompatible with the minimal workings of a democratic regime" (1992: 70). An elimination of the old practices of an authoritarian era, through instituting reforms, will enable the newly elected democratic government to begin democracy building. The tasks of democratic consolidation following successful transition, according to Larry Diamond, are democratic deepening, political institutionalization, and regime performance (1999: 74). If any of these tasks fails to materialize, the third wave of democratization that Korea's Sixth Republic inaugurated would encounter the danger of reversal in democracy.

Can South Korea's Sixth Republic ultimately be regarded as an agent of great reform? "Great" reforms, according to Michel Oksenberg and Bruce Dickson, should "involve more than improving the administration of the state" and should "fundamentally transform the political system" (1991: 238). This transformation should affect, at least, four aspects of a political system: the relationship between the state and society, the relationship between the state and the economy, the distribution of power and authority among and within the constituent institutions of the state, and the relationship between the country's political and economic systems and the external world.

To be designated as great or successful, the political reform initiated by the Kim Young-Sam administration had to alter the basis of legitimacy of the political system, redistribute power and authority in the constituent elements of the state, significantly alter the tasks of governance, and change the country's foreign relations. These requirements may offer a standard against which any reform efforts could be measured.

Future historians will come to reexamine Kim Young-Sam's democratic reform in the light of the subsequent historical trajectory and "path dependency" of Korea's earlier historical episodes. The Kabo reform movement, for instance, lasted for more than sixteen months, from July 1884 to February 1886. During this period of King Kojong's reign, the Deliberative Council adopted a total of 210 reform bills and was responsible for 660 reform documents (Eckert et al., 1990: 222–230). History shows that the "great" political reform of 1884 did not succeed, however, because of the conservative political reaction and strong power rivalry and imperialism surrounding the Korean Peninsula. Whether the Kim Young-Sam government could bring about such political reform and the transformation of South Korea's post-Confucian society, of course, was more than a matter of speculation and anticipation. Leaving the question of evaluating Kim Young-Sam's reform politics to future historians, we can begin to assess Kim's vision as a reformer at the outset of his administration in 1993–1994.[3]

Kim's Vision of "Reform" Politics and Democratic Consolidation

After the successful democratic transition, the government of President Kim Young-Sam confronted a set of political challenges associated with democratic consolidation. The ideas of democratization and of undertaking political reform became identified as the same task in Kim's mind and the minds of many of his followers. Once the process of democratization was completed via the successful regime transition from authoritarianism toward democracy, the immediate task of the posttransition government was to consolidate its political gains, as far as Kim was concerned. This was done by carrying out the public pledges to "clean up the mess" of nondemocratic practices and excesses committed by the preceding state and regimes. In this process, the notion of fighting against corruption and eliminating political irregularities inevitably emerged to become the main reform agenda.

President Kim Young-Sam faced enormous challenges as he attempted to implement democratic consolidation. As a newly elected president, Kim Young-Sam wanted to carry out the new mandate of "democratic reform." In so doing, Kim relied on a rather "exceptional model of democratic consolidation" that, according to one observer, utilized "the communitarian and substantive notion of democratic politics," rather than the more familiar model of the "libertarian" and liberal notion of democratic politics that gives emphasis to a minimum definition of democracy (Shin, 1999: 199–203).[4] The "positive" aspect of Kim's reform agenda comes from this "communitarian" notion of putting the community ahead of its individual members.

For Kim Young-Sam, democratic consolidation required the "building of a truly moral community by removing every authoritarian enclave" of the past under the name of a new Korea. His vision of the new Korea was to create a freer and more mature democratic society in which "freedom must serve society." Kim's vision of the new Korea was also "a sharing community, working and living together in harmony," in which "justice will flow like a river" and "a higher quality of life will flourish and the dignity of the individual will be upheld." It was also an honorable society that would no longer "give currency to the immoral notion that the end justifies the means" (Y. S. Kim, 1993).

In building "a democratic community" of new Korea, Kim Young-Sam emphasized the importance of not only "changing unethical habits and corrupt practices among citizens and officials," but also "building democratic institutions and procedures" usually included in a minimal definition of consolidated democracy. Four specific sets of changes would require that the public, as Kim Young-Sam put it, "stop considering narrow self-interests and demanding one's own share too greedily," "give greater consideration to the larger common good," "root out misconduct and corruption and restore national discipline," and "cultivate wholesome character and unwavering democratic belief" (as cited in Shin, 1999: 201).

The more "negative" dimensions of Kim Young-Sam's reform agenda, accord-

ing to the same observer, come from his emphasis on the importance of purifying the authoritarian past and purging authoritarian elements from the democratic political process. The Kim Young-Sam model of "negative" democratic consolidation, in the end, has had mixed results: while successful in doing away with "the power base of the old authoritarian governments and delegitimating authoritarian rule itself," this was not essential nor effective in consolidating democratic institutions and legitimating democratic values. While Kim's model forestalled the kind of overwhelming wrong-doing common among his predecessors, it failed "to uproot the endemic political corruption and irregularities" in Korean business and politics, as "political corruption still remains as Korean as Kimchi" (Shin, 1999: 218–219; Kristof, 1997).

Before passing a final verdict on Kim Young-Sam's success or failure as a democratic reformer, a more thorough and systemic analysis and evaluation is needed regarding his overall efforts to confront directly the chronic ills of Korean society as Kim saw them and his ways of rectifying the sins of the authoritarian past.

Successive Waves of Democratic Reform: Positive or Negative Consolidation?

The primary means of consolidating democratic gain for Kim Young-Sam was to carry out the agenda of "positive" reform. To do so, Kim first laid out the blueprint of an ideal society, which he developed during the election campaign and articulated in his inaugural address. In launching a series of successive waves of democratic reform in 1993, the Kim Young-Sam administration was enjoined by the ruling Democratic Liberal Party (DLP) in parliament. During the preceding general election held on March 24, 1992, to elect members of the fourteenth National Assembly, Kim Young-Sam's DLP captured 149 seats in the 299-member parliament, one seat short of a simple majority. But with the help of some of the twenty-one members of parliament elected as Independents, Kim's DLP in the National Assembly was in a secure position to continue its status as a viable governing party.

Later, Kim Young-Sam carried out his reform program in several "tsunami-like" waves and stages. In the first stage, he launched a daring blitzkrieg anticorruption campaign. The second stage, although it took the country by surprise, was more deliberate in planning and the speed of implementation. The third stage, which was intended to provide the guidelines for the second half of his five-year term, was performance oriented but problematic in its attainment due to the rushed nature of its policy design as well as rapid shifts and changes in political and economic fortunes both at home and abroad.

In carrying out his reform program during the first wave stage, Kim Young-Sam presented himself as a "populist" democratic politician, true to his political image as the leading dissident and staunch fighter for the cause of democracy

during the authoritarian era. Kim was bold and decisive in launching a broad-gauged campaign for eliminating corruption and irregularities in and out of the government at the top echelons. The new president seemed not to be afraid of political retaliation or challenges to his authority, because he was armed with the newly acquired mandate and legitimacy for rule as democratic leader. A talented calligrapher, he was fond of writing a four-character scroll in Chinese (which he gave out to some as a personal gift) entitled *Daedo Mumun* (Broad Road [requires] No Gate). The highway of democracy that one travels, it seemed to Kim, would require no entrance gate or barrier, and all would be welcome, so long as they were on the side of justice and righteousness.

Also, there is a saying in Korea, as in other cultures, that what counts in the end is "not word or promise but action and performance." Many felt that the slogan of *Yongdu Sami* (Dragon Head and Serpent Tail), as known to many Koreans, was appropriate as the symbol for how Kim's tenure had ended, with the mismanagement of the economy on the eve of the 1997–1998 Asian financial crisis. Before rushing to judgment, however, we need to first examine specific details of the reform agenda proposed by the Kim administration.

The living tradition of Confucian cultural mores worked in Korean society to influence the political process during authoritarianism prior to 1993. Although this tradition also made a difference in an age of democratic transition and reform politics after 1993, the primary goal of reform, as a moral crusade undertaken by Kim Young-Sam, was to change the attitude and behavior of the people by adhering to the idea of democratization and the newly acquired democratic values. If successful, this would bring about democratic cultural change.

During the presidential campaigns of 1992, Kim Young-Sam campaigned against what he termed "the Korean disease," by which he meant a widespread practice of structural corruption and irregularities, both in and out of the government. In so doing, Kim injected a new moral tone into the election. While condemning the old practice of corruption and irregularities, he promised to resuscitate the "dying and sick" society in order to become a truly democratic Korea.

In his inaugural address of February 25, 1993, entitled "Let's Join Forces for New Korea with Hope and Vision," Kim Young-Sam proclaimed the birth of "a new Korea [that] will be a freer and more mature democracy" (1993: 1). This new Korea, according to Kim, "will be a sharing community, working and living together in harmony" by undertaking reforms in "three essential tasks: first, misconduct and corruption must be rooted out; second, the economy must be revitalized; and third, national discipline must be enhanced" (1993: 3).

The objective of President Kim's reform policy seems to conform to the Confucian intellectual tradition of founding a moral political and economic order. In rooting out corruption and misconduct, Kim proclaimed his "immediate reform will start at the very top." As for restoring economic vitality, his government "will do away with unwarranted controls and protection and instead guarantee self-regulation and fair competition." Finally, he added a moral tone to his appeal

for restoring national discipline. Saying that Koreans "have grown lax," Kim argued that "when power is grabbed by foul means, governmental legitimacy is lost and law and order is bound to break down. This gives currency to the immoral notion that the end justifies the means. [Therefore,] there must be an end to the dark political night" (Kim Young-Sam 1993, 3).

Kim Young-Sam relied on the strategy of launching a successive series of reform agendas, one after another, during his five-year term in office. Some of the reform agendas were already enunciated at the beginning of his administration while others were kept secret until they were put into effect on short notice. Kim worked toward achieving the overall objective of democratic consolidation via reform in five specific waves of campaigns: building a new Korea and waging anticorruption campaigns (first wave), institutionalizing democratic political reform measures (second wave), enhancing political legitimacy by rectifying the authoritarian past (third wave), establishing economic reforms, including the real-name accounting system (fourth wave), and securing the future through a local autonomy and globalization agenda. Each of these formidable tasks and agendas required careful planning and implementation.

The First Reform Wave: Eliminating Corruption and Irregularities by Setting an Example

Following his inauguration, Kim Young-Sam moved rather quickly to carry out his campaign promises for democratic reform. One of his first acts as president was to make a public disclosure of his personal and family assets. He also made a public pledge that he would not seek political contributions, implying that he was determined to do away with the questionable practices involving money and political collusion practiced in electoral campaigns. These are an example of a leader carrying out reform by one's own initiative and exemplary acts. These were combined with an announcement of the release of several political prisoners, including the Reverend Mun Ik-hwan, and a large-scale amnesty affecting more than 41,000 persons held in prison (*Korea Newsreview*, March 13, 1993: 4–5).

Before his inauguration, Kim announced his choice of both prime minister and director of the board of audit and inspection prior to releasing the names of his new cabinet. An Anti-Corruption Measures Committee was newly established under the direction of this board so as to conduct an inquiry and investigation of those government officials implicated in questionable and illegal activities.[5] The institution of "censorate" in old Korea was revived, as it were, and utilized as a means of carrying out Kim Young-Sam's reform agenda.

In May 1993, the National Assembly acted to give an important legal basis for the anticorruption and reform drive pursued by President Kim. The National Assembly enacted the Public Servants' Ethics Law, a bill on public disclosure of assets by lawmakers and ranking government officials. Under the new law, lawmakers and

an estimated 7,000 government officials from the first grade up, including bureau chiefs, three-star generals, and higher-ups in the service branch, were required to disclose their own and their immediate family members' assets each year in office (*Korea Newsreview,* May 29, 1993: 6).

One of Kim Young-Sam's favorite and oft-quoted sayings that he used to cultivate an image of being "a clean politician" was that "unless the upstream is clean, the downstream will not be clean." Again, President Kim was anxious to set a high moral and ethical standard at the top of his administration. When some of his newly appointed cabinet members proved to be controversial, due to the appearance of amassing fortunes while in public service before joining the cabinet, Kim acted decisively to remove them, although he should have been more deliberate and careful in choosing his associates in the first place. These replaced cabinet members included the ministers of law, construction, and public health, as well as the newly appointed mayor of Seoul. A total of twenty-nine cabinet-rank high officials in his administration followed the lead of President Kim by making public disclosure of their assets. This act was followed, two weeks later, in a similar move by 125 high government officials of vice ministerial ranks (*Korea Newsreview,* March 27, 1993: 4–6).

The Kim government directed its inquiry into some of the most powerful and influential officials of the previous administration. Former president Roh Tae-Woo's national security advisor, Kim Chong-hwi, was indicted on a charge of possible bribery in connection with an F-16 fighter plane decision, whereby the Roh Tae-Woo administration purchased a fleet of U.S. fighter planes as part of the defense modernization program. Roh's former defense minister, Lee Chong-ku, and others were implicated in the financial scandal. Roh's former chief economic advisor, Kim Chong-in, then serving as a member of parliament (MP), was also indicted on a bribery charge, convicted, deprived of his parliamentary seat, and sentenced to a prison term. Park Chul-un, Roh's former cabinet member and close confidant, who was also serving as an MP, was arrested and tried in open court on bribery charges on a slot machine licensing decision (*Korea Newsreview,* May 22, 1993: 6). He was convicted and sentenced to serve a prison term. His wife successfully ran in a by-election to fill the seat that he vacated.

Under the newly enacted law, over 1,100 ranking government officials and lawmakers were required, by September 7, 1993, to make their assets public. Since discrepancies developed between initial disclosures and subsequent disclosures of assets, many of those officials who engaged in the questionable practice of amassing private fortunes had either to tender their resignation or be subjected to an inquiry and further fact finding. Not surprisingly, the ruling DLP took punitive measures against eight of its lawmakers who were known to have problems with the way they had amassed their wealth. Five others were given "warnings" by the party, and two members were forced to resign (*Korea Newsreview,* September 25, 1993: 6).

Reform was also applied to the judicial branch and the police administration. Kim Dok-ju, the chief justice of the Supreme Court, was forced to tender his res-

ignation early in September, after revealing that his wealth had been acquired through land speculations before he joined the court in the late 1980s. This was followed by the resignation of Attorney-General Park Chong-chol, the chief law enforcement officer, and many other high-ranking judges and police chiefs throughout the country. Park reported assets totaling $2.4 million, making him the fifth richest of about fifty senior prosecution officials required to register their wealth under a new ethics law (*Wall Street Journal,* September 14, 1993). This led to a wholesale replacement of personnel in the judicial branch of the government (*Korea Newsreview,* May 22, 1993: 7; September 25, 1993: 7). This house cleaning of law enforcement agencies was a necessary step before launching into the anticorruption investigation of other higher officials who had benefited from the ethically questionable and illegal practice of bribery and kickbacks through "influence peddling" pervasive in the previous authoritarian regimes.

A total of 234 government officials were confirmed to have "problems" with regard to the way they had amassed private fortunes. Suspected of reporting their financial statements in a dishonest manner and of engaging in illegal real estate speculation or tax evasion, some 94 of these officials were urged to leave public office, while 140 of them received a warning, with their future promotion adversely affected (*Korea Newsreview,* December 18, 1993: 12). This action was taken after auditing a total of 15,032 officials of the central government and government-affiliated organizations with higher civil servants with grades ranking between two and four who were required to register their assets in accordance with the Public Officials' Ethics Law (*Korea Newsreview,* December 18, 1993).

The other branches of the government were pressured to follow suit by adopting a new policy of asset disclosures. The ruling DLP started first and was followed by the opposition parties in parliament. As the ruling party members were pressured to follow President Kim's lead, Park Joon-kyu, the speaker of the National Assembly, announced that he would step down from the speakership. As an influential member of the ruling DLP executive committee, Park decided three months later that he would simply resign from his seat in the assembly. Park, a veteran lawmaker, was clearly implicated as one of those old "corrupt" politicians who had amassed a fortune while serving in the legislature. Two additional ruling party lawmakers, Yu Hak-song and Kim Mun-ki, were also deprived of their seats after refusing to disclose their assets (*Korea Newsreview,* April 3, 1993: 6–7).

Purifying the Military

The military's legacy of intervention was the most difficult challenge confronting the new president. Less than two weeks after his inauguration, President Kim removed Army Chief of Staff General Kim Jin-yung and Intelligence Commanding General So Wan-su. This was followed, on April 2, by the replacement of the field generals directly responsible for the protection of the government itself, that is, the Special Forces and Capital Defense commanders. Next, other

powerful generals were relieved from duty, including Joint Chiefs of Staff General Lee Pil-sup, and three high-ranking generals who were placed on reserve. All of these generals were implicated in the December 12, 1979, coup, which was engineered by then–major general Chun Doo-Hwan to found the Fifth Republic (1980–1988).

Three former Republic of Korea (ROK) navy admirals, including a former chief of operations, were arrested for bribery charges associated with promotion decisions while in office. This was followed by the arrest of five ROK air force officers implicated on similar bribery charges. Chang Se-dong, a former Central Intelligence Agency chief, was arrested in connection with a bribery charge scandal. The civilian director of the Military Affairs Bureau, in charge of administering the military draft, was also arrested on a bribery charge (*Korea Newsreview,* May 1, 1993: 8–9; May 8, 1993: 10). Other high-ranking officers were investigated on charges of accepting bribes for defense contracts.

For a civilian president to remove high-ranking generals from active duty was a bold act and full of risk, but Kim Young-Sam prevailed because of his newly acquired legitimacy as an elected president. As a result, the civilian control of the military, as stipulated in the constitution, became the democratic norm in theory and practice. President Kim was determined to purge the "political" generals and to restore professionalism in the military service. In an attempt to do away with the political activities of the military once and for all, he wanted to expose secret societies operations within the army. Hence, the government had the press release the names of 105 members on the list of the Hanahoe Club who were widely regarded as being close to former presidents Chun Doo-Hwan and Roh Tae-Woo, and many former generals of the ROK army. The Hanahoe was a secret association within the army consisting of select graduates of the Korean Military Academy. Both former presidents Chun Doo-Hwan and Roh Tae-Woo were charter members of this organization. As a result of this move against the Hanahoe, the civilian control of the military was formally restored as the ROK constitution stipulates.

By purging most of the generals associated with past authoritarian regimes, Kim sent out a clear message that he wanted to restore professionalism in the military service. Civil-military relations were redefined to reflect the democratic orientation of the state. In the end, Kim Young-Sam was able to replace all the posts held by the four-star generals, as well as three-quarters (73.3 percent) of three-star generals and two-thirds (68.3 percent) of two-star generals who had been appointed by his predecessor (*Korea Newsreview,* February 26, 1994).

The Second Reform Wave: Further Securing and Enhancing Political Legitimacy

The second wave of reform measures unleashed by the Kim Young-Sam government had to do with further securing and enhancing the political legitimacy of his administration. President Kim's claim of legitimacy was derived from the nation-

alist ideology that he hoped to restore and cultivate. Under such plans, the remains of five nationalist leaders of the provisional Korean government, exiled to Shanghai during Korea's occupation by Japan prior to 1945, were returned home for reburial in August 1993. It was during the meeting of President Kim with Qian Qichen, the visiting Chinese foreign minister, in Seoul in late May 1993 that such a request was made (*Korea Newsreview*, August 14, 1993: 4–5). This act coincided with the belief that the ROK was the successor to the provisional Korean government in exile during Japan's colonial rule of Korea. Such was, at least, the political calculus behind Kim's decision.

Another important symbolic act of President Kim was to order the dismantling of the main building used by the Japanese colonial government, subsequently used as the National Museum. This towering granite structure overlooking downtown Seoul was built by the Japanese colonial government on the Kyongbok Palace grounds. The building was also known to have the symbol of the rising sun reflected in its structural design and layout. Even if the demolition of this structure was costly, President Kim was determined to do away with the remnants of Japanese colonialism and to restore the royal sanctuary of the Choson dynasty to its original grandeur. This was clearly a reflection of nationalism pointing to the administration's determination to recover the self-respect and independent spirit of the Korean people.

He also instructed the cabinet to build a new national museum that would represent 5,000 years of Korean history in preparation for the unification of the Korean Peninsula at a future date (*Korea Newsreview*, August 14, 1993: 4–6). Whereas Kim Il-Sung of North Korea had exploited nationalism and an anti-Japanese guerrilla war struggle to his advantage, Kim Young-Sam seemed equally determined to exploit the theme of nationalism by liquidating the remnants and legacies of Japanese colonialism from Korean soil.

The Independence Day ceremony in 1994, marking the forty-ninth anniversary of Korea's liberation from Japan on August 15, 1945, was held at Independence Hall, forty miles south of Seoul. Kim delivered an address that clearly reflected patriotic and nationalistic themes. Many observers wondered how his government would confront North Korea's proposal to invite seventy South Koreans to attend the dedication ceremony of the Tan'gun tomb, which they claimed was recently uncovered. Tan'gun was a legendary founder of the Korean nation some 2,700 years before Christ.

Passing of Political Reform Bills

Kim Young-Sam's campaign promise to reform the existing laws on election, political party, and campaign financing was finally realized, after months of parliamentary debates, in the National Assembly special session in early March 1994. Speaking before the National Assembly in September 1993, Kim Young-Sam called for "an electoral revolution . . . to eliminate any room for improper and corrupt

campaigning and voting." He also called on political parties to sever collusive links with businesses and raise political funds in a legitimate manner (*Korea Newsreview*, September 25, 1993: 5).

The passage of these political reform bills was one of Kim's most solid accomplishments as he attempted to usher in a new era of clean politics by making political funds more public. Some argued that the 1994 political reform bills were similar to the 1830 Reform Bill in England that did away with "rotten boroughs" to make the electoral districts more commensurate with the constituency. Whether the 1994 electoral revolution deserved such an honor, however, would remain to be seen in the local autonomy elections of 1995. Starting in 1995, South Korea went through major elections every year to make reform bills timely and appropriate. In June 1995, local government elections were set up first, to be followed by the fifteenth National Assembly election in 1996 and the presidential election in 1997.

The political reform bills of 1994 consisted of three separate laws on election, political funds, and local autonomy (*Korea Newsreview,* March 12, 1994: 4). Under the existing election laws, a presidential candidate was allowed to spend up to 36 billion won (about $35 million), while a parliamentary candidate could spend 125 million won (about $160,000). It was openly known, however, that most candidates actually spent far more than the set amount. The new election law limited a presidential candidate's spending to 20 billion won for a campaign and a parliamentary candidate's spending to about 50 million won. If a winning candidate exceeded the limit, according to the new law, the election would be declared null and void.

The new election law stipulated other safeguard measures to make elections more open and fair. The election of a candidate, for instance, would be ruled invalid if his or her campaign workers or family members violated election laws. Candidates whose elections were ruled invalid would be banned from serving in public posts or running for subsequent elections for ten years. The new law also required all candidates to use only the money withdrawn from their bank accounts for campaigns to help authorities monitor spending. To defray expenses, candidates would receive a government subsidy for publishing their individual small campaign publications and pamphlets.

The new law also prohibited rallies sponsored by political parties during election campaigns. The parliamentary seats elected from the national constituency, in turn, would be distributed to parties in accordance with the number of votes, instead of the number of seats, they gained in a direct vote. The political fund law was revised so that subsidies from the state coffers to political parties could also be increased, from 600 won per eligible voter a year to 800 won. The amount of an individual contribution was likewise increased to 150 million won (about $190,000) to political parties from the current limit of 100 million won.

Finally, the new Local Autonomy System Law was expected to usher in a new era of local self-government. This law laid the legal basis for the government plan of reorganizing local administrative units. The new law empowered local governments to initiate important measures, such as effecting mergers of cities and their

surrounding counties. All four local elections, including the county, city, special city, and provincial levels, were held simultaneously on June 27, 1995, so as to reduce the cost of elections. By electing local administrative heads at various levels, instead of the existing system of appointment by the central government, the Korean government would be held more accountable to the voters at the grassroots level. Koreans would come to learn democracy firsthand by participation in local self-government.

The Third Reform Wave: Rectifying the Authoritarian Past

The third wave of democratic reform undertaken by the administration was the more delicate and challenging one of severing ties with the authoritarian past. The primary means of attaining this goal was to rewrite past history by correcting "alleged" mistakes and injecting a newer perspective on major historical events. Kim suggested, for instance, that the December 12, 1979, incident, led by then–major general Chun Doo-Hwan, was a "military coup d'état-like incident," and the May 18, 1980, Kwangju riot incident was "the civil pro-democracy uprising in Kwangju." He also redesignated the April 19, 1960, student uprising as "the April 19 Revolution" and the June 10, 1987, "Great March" that he took part in as an opposition leader as "the June 10, 1987, Struggle for Democracy" (Oh, 1999: 135).

President Kim instructed that the honor of those who had been prosecuted by the military regime of the Fifth Republic be fully restored. Using the president's constitutional authority to "grant amnesty, commutation and restoration of rights" (article 78), his government released 5,566 political prisoners and destroyed the conviction records of more than 500,000 political prisoners from the previous military regimes. Also, his government removed 239 fugitives from wanted lists of the former regimes, and 102 fugitives who had turned themselves in were forgiven. Under his directives, schoolteachers who had lost their jobs for trying to form labor unions were restored to their previous positions, and 2,046 students who had been expelled for their political activities from 85 colleges and universities were ordered readmitted. Finally, the honor of the Kwangju victims and of others who had been prosecuted by the Chun regime was fully restored (Oh, 1999: 135–38).

In 1995, President Kim Young-Sam was faced with a difficult decision to make regarding the political status of his two former presidents. Should the past authoritarian practices for which these predecessors were held responsible be condemned and rejected outright? Should the past authoritarian leaders who initiated liberalization and democratization measures be acknowledged or be subjected to immediate arrest and trial? Should they be given leniency or forgiveness for their past errors and, if so, on what grounds? These were some of the difficult questions facing the postdemocratization regime of President Kim. In the end, Kim decided to let the court system and procedure decide; thereby, the "rule of law" process was established and institutionalized for the sake of the new democracy's future.

This strategy chosen by Kim Young-Sam permitted placing the two former presi-

dents on public trial on bribery and sedition charges. This proved to be the most celebrated and memorable of his reform policies for rectifying the authoritarian past. This risky and daring move, as well as the publicity generated by the trial of former presidents, which was dubbed Korea's "trial of the century" by the media, will be set aside as a separate topic for analysis. This section will only address the political context and implications of Kim's campaign for political reform.

During democratic consolidation, regimes give more attention and priority to righting the balance and rectifying the ills of authoritarian rule (Cheng and Krause, 1991: 6). This type of consolidation problem, stemming from the regime change to democracy, asks how to deal with the mistakes of the past. This question, as already noted and expounded further, asks where to draw the line in expunging the past errors, by punishing the authoritarian leaders who had committed errors but who also initiated liberalization and democratization, either formally or informally, through leniency. If they were forgiven, what would be the grounds?

Three kinds of problems awaited South Korea's third wave of democratization once it had successfully undergone the process of democratic transition. These problems, as Samuel P. Huntington (1991: 211) argues, are the torturer problem of whether to "prosecute and punish" or to "forgive and forget" the past crimes of dictators; the praetorian problem of how to tame the military, by curbing its excesses and fostering professionalism; and the contextual problems that are unique to the situation of time and place that stimulate and herald the transition to democratic consolidation. Democratic consolidation necessitated that Kim Young-Sam's administration give priority to righting the balance and rectifying the ills of the years of authoritarian rule (Cheng and Krause, 1991: 6). The complexity of consolidation of democracy initially led to questions about how to respond to the mistakes of the past.

On April 13, President Kim made an important political statement regarding military intervention. His position was basically to avoid extremes and maintain a semblance of balance. While characterizing the December 12, 1979, episode as a "coup-like military revolt," Kim made it clear what he intended to do to restore justice with regard to the bloody suppression of the Kwangju riots by the military regime of President Chun Doo-Hwan. He called for "restoring the honor of those participating in the May 1980 Kwangju democratization movement" (*Korea Newsreview,* June 5, 1993: 10).

During this period, former presidents Chun and Roh were fearful of the personal consequences of political reform and of President Kim's redefining the coup of December 12, 1979, and the Kwangju suppression of May 1980. They had a sense of temporary relief when the Kim government decided to end the investigation of the authoritarian past. Hwang In-sung, Kim's prime minister, rejected the opposition call in parliament for open public hearings and a probe into alleged corruption and irregularities of Roh Tae-Woo while in office (*Korea Newsreview,* May 15, 1993: 6).

The Fourth Reform Wave: Putting the Economic House in Order

The fourth wave of the reform program of the Kim Young-Sam administration dealt with the more practical, important aspects of the economy: the ways in which to sustain and improve the standard of living for all members of the society. In this effort, the ancient Confucian teaching and notion of *Kyungse Jemin* ("manage the world and rule the people") seemed to come into play for Kim Young-Sam.

In March 1993, Kim announced a 100-day economic stimulus package, coupled with a promise to initiate a new five-year reform and development plan for a new economy (1993–1997). The latter plan, unveiled in July, called for an average annual economic growth rate of 6.9 percent, with a major emphasis on administrative reform, financial and market liberalization, technology upgrading, and enhancing of South Korea's international competitiveness. The actual gross national product (GNP) growth rate in 1993 was 5.8 percent, only slightly better than the 5.1 percent growth rate in 1992. During the presidential campaign, the candidate Kim Young-Sam pledged to revitalize an economy that, in 1992, had recorded the slowest growth in twelve years. This goal of enhancing the economic growth rate was important for the new democracy in the short run, perhaps more so than carrying out the difficult economic reform agenda.

However, the economic package faced difficulties from the very beginning. In his attempt to stimulate economic growth, Kim relieved the Bank of Korea president, a fiscal conservative, over a disagreement concerning monetary and credit policy. Some critics charged that Kim's move was politically motivated and potentially harmful to the economy in the long run. They considered difficulty with the economy to be a structural problem as much as a result of the economic mismanagement of his predecessors. Therefore, the expected benefit of economic reform and change were unlikely without drastic changes in domestic policy. Kim moved to introduce three specific measures of economic reform: chaebol specialization, real-name accounting, and financial market liberalization.

Chaebol Specialization Reform

The chaebol (business conglomerates) specialization reform was included in the new Five-Year Economic Plan of July 1, 1993, which had three interrelated goals: to reduce the chaebol's predominance in the Korean economy, to promote the small- and medium-sized enterprises marginalized by the chaebol, and to improve the international competitiveness of each chaebol by encouraging it to specialize in a few core business activities. The Kim administration required the top thirty conglomerates to submit, by January 1994, a list of core industries on which they would choose to focus. This policy of reforming the industrial structure of the economy, however, was not carried out because of the economic uncertainty prevailing at the time and the government desire to push the country rapidly out of the economic slowdown.

Since the chaebol constituted the main engines of the Korean economy, the Kim administration wanted to improve its relations with the chaebol rather than enforcing the newly announced chaebol reform policy. During Kim Young-Sam's tenure in office, the chaebol continued to expand their business lines. The average number of subsidiaries of a chaebol increased from 18.3 in 1992 to 19.1 in 1994, and the number of chaebol subsidiaries grew 10 percent between 1993 and 1996 (*Far Eastern Economic Review, Asia 1995 Yearbook,* 1995: 155; C. K. Lee, 1996: 57).

Another obstacle to economic prosperity for the new democracy was the loss of international competitiveness associated with higher labor costs and wage increases. This erosion of competitiveness was the result of traditional protectionist trade policies and practices, rather than from liberalization and the opening of the Korean economy.

Economic growth was also at a low. Although it was difficult to establish cause and effect relations between regime types and economic growth, democratic changes in South Korea had resulted in higher consumption, wage increases in excess of productivity gains, and inflationary pressures (Cheng and Krause, 1991: 3). Kim Young-Sam's approach to economic reform relied more on the moral persuasion of labor-management talks on wage disputes than on forcing government intervention in the labor talks.

In a gesture intended to woo the business community over to his economic reform package, President Kim attempted to tame the chaebol. Kim invited thirty business tycoons to individual dinners or lunches at the presidential palace. He called on business leaders to expand their investment programs and to strive for peaceful labor-management relations. His intention clearly was to revive businesses' confidence in the Kim administration's economic policy. Kim also promised to do away with what he called "unnecessary" government regulations.

In 1993, Korea's protected rice market was subject to a forced opening as a result of the Uruguay Round negotiation talks in Geneva. The Korean farmers' protest reached crisis proportions. As a result, Kim Young-Sam had to carry out a cabinet reshuffle with a new prime minister, Lee Hoi-chang, who was instructed to accelerate the ongoing reform drive. In so doing, the government went ahead with Kim's earlier commitment to opening the agricultural market in stages along the lines of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) trade negotiations.

Real-Name Accounting Reform

On August 12, 1993, President Kim issued a decree invoking an emergency clause of the constitution. Article 76 of the ROK constitution stipulates that the "emergency powers" of the president can be invoked "in time of . . . a grave financial or economic crisis." This permits executive orders having the effect of law "only when it is required to take urgent measures for the maintenance of . . . public peace and order, and there is no time to await the convocation of the National Assembly." In addition to the exigencies of the financial and economic crisis, national security contingencies such as "internal turmoil, external menace, natural calamity" are also identified as reasons for the ROK president invoking the emergency decree clause.

This measure, subsequently approved by the National Assembly, was aimed at doing away with the use of false names and introducing the real-name accounting system. The old system, instituted originally to encourage economic development through saving, was widely misused to avoid paying taxes and became embedded as the source of corruption through a money and power nexus. Under the new law, all accounts under aliases had to be switched to real names within sixty days. Without certification of the real name of bank account holders, withdrawal of any deposits from financial institutions was banned (*Korea Newsreview,* May 15, 1993).

Kim insisted, "Unless the real-name accounting system is introduced, corruption and the collusive links between government and business cannot be severed" (*Korea Newsreview,* August 21, 1993: 4, 14). Although intended primarily as an economic reform measure, the new policy would do away with the existing practice of close ties between money and power. The existing system was closely identified with the practice of corruption and bribery of government officials. The real-name accounting system thus gave Kim Young-Sam the weapon needed to carry out the anticorruption campaign that he had laid out thus far.

This measure was considered essential also to eliminate an underground economy that was diverting money toward illicit and speculative investments. The underground economy, using fictitious or borrowed names for bank deposits, was estimated to be sizable. Although the law on the real-name accounting system had been enacted before, it was not put into effect by the previous regimes due to strong resistance by parliament during the Fifth and Sixth Republics.

By the October 12 deadline, an estimated 2.7 trillion won in fictitious accounts at banks and financial institutions was converted to real-name accounts. This represented 95 percent of all alias accounts. Depositors with 266 trillion won in real-name accounts, representing 78 percent of 341 trillion won in real-name accounts, were also identified and their accounts were confirmed (*Korea Newsreview,* October 23, 1993: 14). Deposits of 140 billion won were estimated to be associated with depositors who did not want their identities disclosed. Since this amount was perhaps accumulated by illegal means or dodged taxes, they were now subject to an investigation by authorities for possible tax evasion.

With the real-name accounting system in place, secret funds could no longer be diverted to questionable use in politics or in business. Kim's anticorruption and irregularities campaigns proved to be the center piece of his successful economic reform measures. Although these financial measures initially caused temporary disturbances in the market, the long-term effects were considered to be healthy and sanguine.

Financial Market Liberalization

In June 1993, the Kim Young-Sam administration unveiled the Financial Liberalization and Market Opening Plan, followed by the Foreign Exchange Reform Plan a year and a half later. By calling for liberalizing interest rates and reducing the scope of government intervention in the financial sector, these plans encouraged

greater foreign participation in the South Korean financial and capital markets and led in 1994 to the abolishment of the ceiling on overseas borrowing by overseas branches of domestic firms. Since the Kim administration also adopted a new policy to encourage South Korea investments abroad so as to develop new markets, these measures dramatically increased offshore financing as well as encouraging outgoing foreign direct investment by South Korean enterprises.

The financial market liberalization was motivated both politically and economically as a way of neutralizing domestic political resistance to bold reform measures like real-name accounting systems and helped to raise much needed investment capital through foreign sources. Unfortunately, the financial market opening was done without any real effort to make the financial system more transparent and internationally competitive. This could have been accomplished, for instance, by opening the highly protected domestic financial market to foreign direct investment.

In November 1994, as resistance to his economic reform measures started to grow, the Kim government launched a *segyehwa* (globalization) drive as the top priority of his administration for 1995 (C. Kang, 2000).[6] To further this new policy, Kim carried out in December 1994 a major reorganization of the powerful economic bureaucracies of the government. He formed a new superagency, the Ministry of Finance and Economy, by merging the Economic Planning Board with the Ministry of Finance. Whereas the former agency was a key promoter of segyehwa, the latter was more reluctant to carry out rapid financial liberalization. By promoting segyehwa, Kim Young-Sam sought Korean membership in the Organization for Economic Cooperation and Development (OECD), which required its members to maintain a high degree of liberalization in financial transactions. South Korea's formal application was initiated in March 1995.

The Fifth Reform Wave: Political Reform with Unintended Consequences

The fifth and final wave of democratic reform undertaken by the Kim Young-Sam government had to do with a series of measures reflecting Kim's desire to establish an enduring legacy before his term was to end in February 1998. This effort was more future-oriented and tentative. These measures were intended to transform South Korea into a thriving and successful democratic society by fostering local autonomy and self-government, promoting good neighborly relations, and taking preemptive measures toward globalization. When these measures would be attained and institutionalized, South Korea would be ready to become an advanced industrial and democratic society.

Promoting Local Autonomy and Self-Governance

The first phase of Kim's effort was geared toward undertaking institutional reforms at the community level. South Korea had long suffered from the practices of

central government and a top-down rather than bottom-up process of administration. Unless the measures of local autonomy and self-government were firmly established at the regional and local levels, there would be no possibility of ensuring that the new democracy would be genuinely institutionalized. The Kim Young-Sam government knew that well.

Kim's reform agenda during the first stage was highly visible, but only at the national level, because some of his reform measures, including ethics law for public servants, were largely confined to the upper echelon of civil servants in the central government. However, many believed that, unless an anticorruption campaign was also carried out in the lower echelon of the government bureaucracy, there could be no genuine reform of the civil service system.

In September 1994, the Kim Young-Sam government had a lucky break in uncovering a tax embezzlement scandal in the Inchon district office. Tax collector bribery was widespread for many years, as was privately pocketing taxes. The conspiracy of tax embezzlement in this particular case was investigated and subject to criminal indictment, and the government proceeded under the assumption that it might not be an isolated case confined to one locality.

A nationwide investigation into the local government tax administration was launched. The purpose here was to purify the public servant's ethical and professional standards at the lower level of bureaucracy in the central and local governments. A citizen-led rally was held in Seoul as a "moral" crusade against the rampant social malpractice, including heinous crimes, murder, and white-collar embezzlement. A heinous crime called Jijonp'a was uncovered in September involving the extortion and murder of innocent victims as well as the conspiracy of kidnapping well-to-do citizens based on a sample of department store clients' lists that were illegally obtained (*Han'guk Ilbo,* September 23, 1994).

So long as public opinion and the press were fully behind the government's renewed policy of reform, Kim Young-Sam was able to keep the political reform agenda alive and well at the lower echelon of the government. The local-level reform was timely and important for the scheduled local elections in the summer of 1995. If the public was kept informed, Kim's overall efforts at political reform would be rewarded politically and he would be regarded as successful. His calculation was that if he could keep the issue alive, local autonomy measures would soon become a reality. A series of local government elections were held in the summer of 1995 to choose mayors and governors as well as members of the deliberative councils. In many of these provincial and local elections, the ruling party candidates unexpectedly failed to capture the key seats of governorship and provincial legislative bodies. Regional issues rather than national politics were the primary concerns of many voters in these local-level elections.[7]

In mid-January 1995, Kim Young-Sam let his political partner Kim Jong-Pil, a former prime minister, know that he would be removed as chairman of the ruling DLP at the coming party convention in February. Thereupon, Kim Jong-Pil left the DLP with his followers and formed the United Liberal Democrats (ULD) (Shim,

1995a: 17). This split was mentioned by political observers as responsible for the DLP defeat in the June 1995, a historic first in local elections.

The ruling DLP won only 33.8 percent of the vote while the largest opposition party, the Democratic Party (DP), gained 30.5 percent, and the newly established ULD 10.8 percent, with independent candidates winning 24.9 percent (Shim, 1995c: 36). The strong showing of the DP in the elections led to the return of Kim Dae-Jung from his self-imposed retirement after his defeat in the 1992 presidential election. Kim Dae-Jung formed a new political party, the National Congress for New Politics on September 5, 1995. This comeback of Kim Dae-Jung and Kim Jong-Pil's departure from the DLP provided a difficult problem politically for Kim Young-Sam (C. Kang, 2002).[8]

To make the political situation worse, the real-name reform unexpectedly led to a startling revelation in late 1995, as will be noted in the next section of this chapter. Former president Roh had accumulated a staggering sum of business contributions during his tenure (Shim, 1995b: 16–17). This started a political chain reaction that unfortunately implicated Kim Young-Sam as sitting president. The question arose as to how Roh had spent 330 billion won out of the 500 billion won he had amassed. A strong suspicion naturally arose that Roh had given the bulk of money from his secret coffer to Kim Young-Sam, who was after all a candidate of Roh's DLP for the 1992 presidential election. Clearly, Kim's democratic and reformist credentials had become severely tarnished by the time of his party's defeat in the local elections of 1995. More importantly, as a result, the large window of opportunity for transforming the key pillars of the South Korea developmental state was rapidly collapsing, and Kim's reform measures were in full retreat (C. Kang, 2002).

The Promise of Foreign Policy and Diplomatic Moves

With the ruling party's failure to win local elections, and other domestic reform agendas unfinished but left behind, Kim Young-Sam chose to move ahead with a new foreign policy initiative and to carry out a diplomatic offensive abroad. In doing so, Kim had his foreign minister, Han Sung-joo, articulate a new foreign policy or new diplomacy. This new policy was designed to diversify South Korea's foreign relations and to increase its global activities. These measures were expected to overcome competition with North Korea, inject a new "moral and ethical dimension in diplomacy," and streamline the policy making and implementation processes. The implications of these policies may be assessed in the light of Korea's Confucian traditions. That theme will be further explored in Chapter 7.

It can be argued, however, that Kim's new diplomacy agenda was governed by Confucian notions of *Sadae Kyorin* (Serve the Great and Promote Neighborliness), the guiding principle of diplomacy during the Choson dynasty. This influence was reflected in a series of diplomatic state visits to various countries during the first and second years of his administration. Kim received President

Bill Clinton in early June 1993, as well as Japanese prime minister Morihiro Hosokawa in October. Kim's first official trip abroad was a state visit to the United States in December 1993, followed by official visits to Japan, China, and Russia in the spring of 1994. These visits were an attempt to promote trade and economic relations. He also welcomed leaders from all of these countries except China. Despite these busy diplomatic activities, Kim's foreign policy was said to lack substantive programs and ideas as to how to use diplomacy to enhance the welfare and interest of the people. His foreign policy was also criticized as lacking consistency and vision.

Inter-Korean relations, however, faced particular challenges and frustrations. Since 1993, South Korea had not been able to carry on a meaningful dialogue and negotiation with North Korea. Thanks to an intermediary role played by former president Jimmy Carter in June 1994, an opportunity to break the stalemate arose when Kim Young-Sam accepted an offer by North Korean leader Kim Il-Sung to hold a summit meeting. Kim Il-Sung's sudden death on July 8, 1994, however, aborted the summit. Unless there was a drastic change and reform in Seoul's approach to Pyongyang, no fruitful negotiation between the two Korean states would take place.

The Geneva talks on the nuclear issue, between the United States and North Korea in 1993–1994, provided a new modus vivendi to overcome the tensions on the Korean Peninsula.[9] In this process, the ROK was not directly involved but played a supportive role to the United States on the sidelines. The attempt to upgrade inter-Korean relations did not succeed during the Kim Young-Sam administration. The principles for reconciliation and cooperation, as adopted in the 1991 basic agreements between the two sides, provided a way of normalizing inter-Korean relations and an eventual reunification of Korea. But, due to the intransigence of North Korea, these principles never had a chance of being implemented. The Kim Young-Sam government was therefore unable to make headway toward improving inter-Korean relations.[10]

Preemptive Measures Toward Globalization

The third phase of Kim's reform agenda that had unintended consequences was to promote globalization and internationalization. Internationalization was presented as a way to reinvigorate economic reform at the close of the Kim Young-Sam administration. Whereas globalization was said to reflect the changing reality of the world, moving toward greater economic integration in a borderless economy, internationalization was considered to be an active adaptation and survival strategy in an increasingly interdependent and competitive world economy. Initially, the Commission for Internationalization was created as an advisory body to the prime minister, launched in May 1994, with fourteen members and chaired by Kim Kyong-won, the former Korean ambassador to the United States during the Chun Doo-Hwan era. However, this body was subsequently preempted and newly orga-

nized as a presidential commission six months later (*Kukjehwaui kenyom mit ch'ujin kibon banghyang*, 1994: 6–9).

At the same time as the Seattle meeting of the APEC (Asia Pacific Economic Cooperation) forum in November 1993, President Kim actively began to promote his new agenda for the internationalization and globalization of the Korean economy. That is why, for instance, the Kim administration decided to go along with the Uruguay Round of the GATT negotiation terms of settlement on agricultural trade by acceding to international pressure for South Korea's opening of the rice market.

The Kim government was preoccupied in 1995 with the questions of how to adjust to changing trade requirements in the post–Uruguay Round. The challenge was to keep up with increasing external pressures for the opening of the domestic market while making Korean industries more efficient and sufficiently productive to remain in the global marketplace. This required new thinking and hard decisions by both government and big business in terms of future investment and structural adjustment. Without internationalization measures, Kim reasoned, the Korean economy would be ill prepared for the more competitive and borderless world economy of the twenty-first century.

More specific measures of internationalization included Kim's plea for productivity enhancement in industry by greater investment in research and development, promotion of harmonious management-labor relations, and an amicable settlement of labor disputes by keeping wage increases within reasonable bounds. To accomplish this ambitious program, the government had to adopt a fiscal policy that would hold inflationary pressures down and also invest heavily in infrastructure building and modernization. Examples included the construction of a new information infrastructure and a rapid railway transportation system.

These progressive measures were right on target, in so far as the ideas of responding to globalization pressures were concerned, but the Korean economy was basically ill prepared to confront the challenge of the global economy. The South Korean economy was ill suited to participate in the competitive world market without first undergoing the structural reform of the mercantile economy in favor of market-oriented business practices and a free enterprise economy. This subject will be addressed further in Chapters 5 and 6.

Underlying Kim's globalization policy initiative called the segyehwa drive and the financial liberalization measures of the Kim administration in 1995–1996 was the concern over the economy and a determination to further its growth in the second half of his five-year term. Kim Young-Sam was well aware that the economy had started to slow down during the last year of the Roh Tae-Woo administration in 1992 and he wanted to avoid that situation. As compared to the performance of the economy during the preceding ten years (1983–1992) of his predecessors, the economy as a whole was experiencing difficulties in sustaining the high annual growth rates of gross domestic product and exports.

Table 4.1 shows the overall performance of the Korean economy from 1993 to

Table 4.1

Korean Economic Performance, 1993–1997: Select Indicators

Indicators:	1993	1994	1995	1996	1997
Annual economic growth rate (%)	5.5	8.3	8.9	6.8	5.0
Inflation: CPI increase (%)	4.8	6.3	4.5	4.9	4.4
Growth rate of exports (%)	7.3	16.8	30.3	3.7	5.0
Growth rate of imports (%)	2.5	22.1	32.0	11.3	3.8
Unemployment ratio (%)	2.9	2.5	2.1	2.0	2.6

Source: *Korea's Economy 2000*, Vol. 16 (Washington, D.C.: Korea Economic Institute, 2000), p. iii, 54; "Major Statistics of Korean Economy," National Statistical Office, Seoul, 1995 (www.nso.go.kr).

1997 on key indicators. Whereas the economy started turning around in 1994 and 1995, it was preceded and followed by slower growth rates and slower growth rates in trade sectors.

By launching the segyehwa drive of liberalization reform, Kim Young-Sam was determined to avoid the appearance of a lame-duck presidency, with slower and slackened economic performance in the last year of his administration. Ironically, the Kim Young-Sam administration ended with the same problems as did his predecessor Roh Tae-Woo despite—or because of—the segyehwa initiative that was not well conceived to prevent havoc to the Korean economy in the last year of his administration in 1997.[11]

The Korean economy in 1996 was relatively sound, registering a 6.8 percent GNP growth rate with a 4.9 percent growth in inflation. The growth in the foreign trade sector, however, was sluggish and the current account deficit marked a record high of $2.37 billion dollars. Despite these contradictory figures, many observers forecast that the Korean economy would see a full economic recovery in 1997. This prediction had turned out to be false because of a series of corporate bankruptcies. These business failures, in turn, had adversary effects on the financial institutions that had lent money, while the credit ratings of the Korean banks were downgraded by international credit rating agencies. Hanbo Steel Company's bankruptcy on January 23, 1997, for instance, caused Standard and Poor's and Moody's Investor's Service to downgrade the rating for Korea's First Bank, Hanbo's leading creditor bank, to "very watchful."

As the economy began to lose international credit ratings, the Kim Young-Sam administration established an economic policy team, headed by Finance and Economy Minister Kang Kyung-shik and Senior Presidential Secretary for Economic Affairs Kim In-ho, to confront the economic situation. In March 1997, it was reported that Korea's foreign exchange reserves had tumbled to $28 billion, far below the International Monetary Fund (IMF) advised minimum level of $34 billion. In April 1997, the Bank of Korea announced that Korea's total debts were

$104.5 billion at the conclusion of 1996, up $21.6 billion from the previous year.

In March 1997, the ailing Sammi Steel Company sought court receivership, and provincial merchant banks began to suffer from a serious shortage of foreign funds. Other business conglomerates, like Dainong, Hanshin, and Samlip Food, declared bankruptcies in May. In July, the third largest auto company, Kia Motors, showed signs of difficulty that led to Kia business group, the first chaebol to do so among Korea's top ten, to apply for extension of insolvencies to give more time to revive the businesses. On November 1, Haitai and New Core Business Groups also sought court mediation.

The major causes of the Korean economic crisis in 1997 had to do with excessive dependence of the Korean chaebol on loans and the reckless expansion of business when the economy became sluggish in 1996 and 1997. The Korean chaebol competed among themselves at home and abroad by expanding facilities for producing such capital-intensive industries as automobiles, semiconductors, steel, and petrochemicals. Constructing the plants required huge investments, and the chaebol relied heavily on loans. The Bank of Korea data indicated that the average debt-to-equity ratio for Korea's manufacturing industry at the end of 1996 reached 317 percent, and for the top thirty conglomerates, 386 percent. These figures were in sharp contrast to the 85.7 percent rate in Taiwan and 206 percent in Japan (*Korea Annual 1998,* 1999: 62). Excessive loans thus fanned the deterioration of corporate profitability that resulted in insolvencies.

The Rule of Law and the Court Trial of Former Presidents

Kim Young-Sam's initial launching of his administrative reform package was a great success. Six months after his inauguration, Kim Young-Sam's popularity hit an all-time high of 80 to 90 percent popular support in the polls. However, his popularity started to wane and wax with the implementation of more difficult economic measures that would affect the pocketbooks of average citizens. Following the series of economic reform measures in 1994, Kim's job approval rating started to drop to around 40 percent by November 1994 (Shim, 1994: 15). While struggling to keep the economic house in order, Kim Young-Sam was suddenly awakened by the unfolding story of political scandal, involving mainly his predecessors but implicating himself as well. Kim Young-Sam seemingly had no choice but to let loose the process of uncovering the scandal by bringing his predecessors, former presidents Chun Doo-Hwan and Roh Tae-Woo, to public trial on corruption and sedition charges.

The arrest, court trial, and conviction of South Korea's two former presidents on bribery and sedition charges clearly underscored the gravity of South Korea's political scandals at the highest level of the country's national politics. The court trial of the two former presidents was undertaken in the name of establishing the rule of law.[12] This trial was also hailed as an act of South Korea's new democracy consolidating itself. The sentencing of former president Chun to death, in particu-

lar, was a landmark decision, although the appellate court later commuted Chun's term to a life sentence. In a broader context, the episode may have helped institutionalize the rule of law, rather than the rule of men, in South Korea's emerging new democracy.

Roh Tae-Woo's Graft and Corruption Case

The case of former president Roh Tae-Woo was exposed first by an opposition MP in the National Assembly. This led to a probe by the prosecution, constituting the first scene of act one. On October 19, 1995, Representative Park Kye-dong disclosed in his speech that around the time he stepped down as president, Roh deposited 400 billion won [some $500 million] in slush funds at numerous city banks, of which 30 billion won was deposited at a local bank in Seoul. He then produced a copy of a bank account document that showed the flow of Roh's money. Although a similar claim earlier in August (by Government Administration Minister Seo Suk-chae) was dismissed as a "wild rumor," this time prosecutors took it seriously.

One week later, on October 27, Roh Tae-Woo appeared before national television and tearfully confessed to amassing some 500 billion won in slush funds while in office and that he still had about 170 billion won. On November 15, he was summoned, questioned throughout the night, and then arrested the following day. Further interrogations revealed that Roh received money from thirty-five businessmen, including the Samsung and Hyundai groups, either as political contributions or as bribery in exchange for favors. His former senior presidential aides and former commerce and industry minister, Kum Jin-ho, who happened to be Roh's brother-in-law, were summoned, along with thirty-six leading businessmen and six other government officials.

Roh's graft trial then began on December 18 at the Seoul District Court, where he admitted receiving money from businessmen but denied that the money was in return for any favors. The money, according to Roh, was part of routine contributions that he received as part of his ruling party fund. The businessmen also said that they handed the money to Roh as routine contributions, election funds, or farewell funds, but never asked for any business favors in return. When asked if he handed money to any candidate during the 1992 presidential election, Roh refused to answer, stating, "I cannot disclose it because if I do, it would bring great confusion to the nation." Earlier, Kim Dae-Jung revealed, however, that 2 billion won had been paid to his campaign by former president Roh. This left Kim Young-Sam to make such an admission.

Prosecutors' demand for harsh punishments for all those involved was popular, as they argued that the money in question was raised while Roh served as president by taking advantage of his position. They wanted to cut off the collusive government-business link "once and for all" as President Kim Young-Sam set out to do when he assumed his office on February 25, 1993.

Chun Doo-Hwan's Graft and Corruption Case

As for the graft case of former president Chun Doo-Hwan, the second scene of act one, the prosecution began investigating Chun on November 30, but the investigation expanded when the treason charges, stemming from the December 12, 1979, military coup and the massacre of civilian protestors in the Kwangju riot of May 1990, were added. The investigation of Chun also revealed that he had raised 950 billion won, of which 750 billion won came from forty-three businesses, while in office. Of the total, prosecutors determined, about 223 billion won was taken in bribes from these forty-three business firms. Just how pervasive corruption was is evident in an episode where Chun's former defense minister Chung Ho-yong received 20 billion won from Samyong Chemical Company, a producer of tear gas and other chemicals. The same company handed over another 10 billion won to Roh Tae-Woo.

Chun was indicted on January 12, 1996, along with six of his former senior aides. Chun's trial began on February 26, 1996, at the Seoul District Court. When asked if he had received money from businesses during his presidency, Chun admitted that he had, but stressed that the money was not received in return for favors but for election campaign funds. According to prosecutors, the Hyundai and Samsung groups each gave 22 billion won to Chun and other businesses gave smaller amounts.

Rectifying Past Mistakes via Legislative and Judicial Acts

After bribery charges and prosecution were initiated, act two of the political drama started when the other politically sensitive subject of "rebellion" was added to the court proceedings. In order to convict the two former presidents, the Kim Young-Sam government had to move with caution and due process of law. Earlier, on May 13, 1993, President Kim maintained that the May 1980 coup d'état and the brutal suppression of the Kwangju uprising would be better left to history to make a final judgment. However, on November 24, 1995, with the revelation of bribery charges against the two former presidents, President Kim changed his mind and asked his party (by virtue of his serving concurrently as head of the DLP) to try to enact a special law to prosecute those involved in the 1979 coup and the 1980 Kwangju suppression.

By reversing his position, President Kim hoped to obtain the upper hand in domestic politics. This popular move would strengthen his hand politically to influence the fifteenth general elections (scheduled for April 1996) and the presidential election (in December 1997) in favor of the ruling party. As the demand for enacting a special law grew, the prosecution ruled in July 1995 that it had no right to investigate those responsible for a successful coup. However, enraged civil leaders (398 in all) filed a petition with the Constitutional Court to challenge the prosecution's decision. The court began to review the petition on August 8, 1995,

and in its seventh session on November 23 it ruled that the prosecution's claim that it had no right to investigate coup members was unconstitutional.

Spurred by this judicial ruling, the ruling DLP moved fast. On November 25, only two days after the ruling, the DLP formed an ad hoc committee in support of further development of a special law. The move to draft the bill was joined by the opposition parties. The two opposition parties initially demanded that a special prosecutor investigate the case, while the ruling party objected to this idea. As a result, the special law was passed through the National Assembly, on December 19, 1995, with a vote of 225 in favor out of the total 247 present. The law was promulgated on December 21 on being adopted by the cabinet. Not all members were present when the vote was taken. Many of those absent from voting were the faction of the ruling party who supported former president Roh.

Sedition Trial

Act three of the political drama began when former president Chun Doo-Hwan was arrested on December 1, 1995. Charges against him included masterminding a rebellion, arbitrary departure from duty, and murdering military superiors and guards. On December 21, Chun, along with Roh, was indicted on military rebellion charges in connection with the December 1979 coup. An investigation was launched into thirty-four supporters involved in the December 12, 1979, coup and forty-seven were charged with having played roles in the May 1980 Kwangju incident, including three incumbent lawmakers who were placed under arrest. The three lawmakers were members of the National Assembly: Chung Ho-yong, the Fiftieth Division commander at the time of the coup, and Hur Hwa-pyong and Hur Sam-soo, both officers of the Defense Security Command headed by then–major general Chun Doo-Hwan. Those indicted by the special law thus included two former presidents, three incumbent lawmakers, eleven minister-level officials, and four vice-ministerial-level officials.

Chun vowed that he would not cooperate in the probe and launched a hunger strike for forty days because, he argued, the prosecution had no right to reinvestigate an incident that had already been closed. In fact, in December 1989, a political deal had been arrived at among political leaders at that time, between President Roh and the three opposition leaders—Kim Young-Sam, Kim Dae-Jung, and Kim Jong-Pil. They had agreed to conclude the case against Chun in return for Chun's testimony at a National Assembly public hearing. Chun's defense lawyers filed an appeal with the Constitutional Court on January 20, 1996, arguing that the enacted special law violated the constitution, which prohibits the legislation of any retroactive laws or statues. The ROK constitution stipulated the statute of limitations of fifteen years.

The Constitutional Court, however, ruled on February 16 that the special law as enacted by the National Assembly was indeed constitutional. Of the nine justices on the court, four endorsed the constitutionality of the special law, while the re-

maining five agreed with Chun's lawyers; a minimum of six votes was required for the law to be ruled unconstitutional. Chun and his colleagues again filed a constitutional appeal against the reinvestigation of those involved in the May 18 riot. However, the court unanimously rejected this appeal on February 29, ruling that the issue regarding the special law was not subject to judicial review.

On February 28, 1996, prosecutors announced the outcome of their investigation of Chun, Roh, and eighteen others charged with playing key roles in the December 12, 1979, and May 18, 1980, incidents and turned their cases over to the court. All of them were indicted on various charges. Interestingly, however, on the inspection of the Kwangju massacre, prosecutors confirmed that "there were massacres of innocent citizens" but they could not file any charges because "no culprits could be determined." In many instances during the massacre, "many killings were not done only for the sake of Chun's rebellion, but were simply random acts of homicide" and that "the statute of limitations for such crimes had already expired" (*Shindong A Monthly*, 1996).

The historic trial of those involved in the December 12 and May 18 incidents began on March 11, 1996, at the Seoul District Criminal Court. In the trial, the prosecution tried to shed light on the course of events in the May 1980 riot. These included the arrest of Martial Law Commander and Army Chief of Staff Chung Seung-hwa, acting president Choi Kyu-ha's belated approval of the arrest, and Chun's seizure of military control. Other events included the forced merger of news agencies, the expansion of martial law nationwide, and the resignation of then president Choi Kyu-ha. Choi became acting president with Park Chung-Hee's assassination in October 1979. As a caretaker in transition, he served as president until August 1980, when Chun took over after the rubber-stamp electoral college elected him as new president.

After more than five months of trial proceedings in 1996, the Seoul district court, on August 26, sentenced former president Chun Doo-Hwan to death after finding him guilty of mutiny, treason, and corruption. Roh Tae-Woo, Chun's successor as president, was sentenced to twenty-two and a half years in prison on similar charges. The presiding judge in a three-judge panel declared, in reading out the verdict and sentences, that the crimes committed were serious enough to warrant the most severe punishment. Roh was spared the punishment of life imprisonment demanded by prosecutors on the grounds (as Judge Kim Young-Il said) that Roh had only been following Chun's lead and that Roh's efforts to promote democracy in South Korea had been taken into account. Both Chun and Roh were found guilty of amassing hundreds of millions of dollars in illegal political funds during their terms. Chun was fined $270 million and Roh $350 million.[13]

A few days later, the verdict was appealed. According to a press report, Choi Kyu-ha was the only former ROK president not currently in jail, but he was fined for ignoring a court order to testify in the appeals trial of his two successors, who had been convicted of mutiny and treason in August ("Ex-South Korean Official Fined," 1996). Choi had been a caretaker leader for eight months in 1979, between

the assassination of Park and the military coup that brought Chun and Roh to power. Choi's testimony was deemed crucial to clarifying events around the coup, which was central to Chun's and Roh's convictions. Choi steadfastly refused to testify, citing presidential immunity. Senior Judge Kwon Sung fined Choi $120 and issued a new summons for Choi to testify the following week, a summons that Choi ignored.

Thirteen other former generals who were tried along with the former presidents on sedition and treason charges were also convicted. All except Chun received lesser sentences than those sought by the prosecutors; one ex-general was found not guilty. Verdicts subsequently were also rendered in political corruption cases involving other top officials and business executives and sentences were handed down. Thus ended act three of the political drama of "the trial of the century."

Importance of the Verdict

What is the significance of these events? The trial was viewed by many as "less a hearing on the specific crimes committed" some years ago and more "as a pivotal step toward the establishment of the rule of law" by a country trying to cleanse itself of its brutal and corrupt past.

> The verdict represented an ignominious ending for the two former army generals who ruled South Korea during the 1980s and early 1990s and [who] were instrumental in shaping its emergence as an Asian economic powerhouse. Indeed, the spectacle of the two former rulers, dressed in prison uniforms like common criminals and standing powerless before the three judges, riveted the nation. South Koreans gathered around television sets in homes, stores and offices to watch the unfolding of a drama that has become a symbol of the political transformation that South Korea has undergone in the past three years. (Sugawara, 1996: A01)

President Kim's bold decision on the court trial of two former presidents was praised by many of his followers. Through his actions, Kim Young-Sam seems to have combined the virtues of both the "rule by men" practice, the Confucian cultural legacy of the past, and the "rule of law" principle, the democratic norm of the present and for the future. In this sense, Kim was truly a transitional figure between the old and the new political traditions and institutions of Korea's modern politics.

Kim's reform agenda had scored a dramatic success over anticorruption. He then moved on to other pressing issues to carry out ongoing and unfinished reform measures, like the segyehwa drive, as already noted in the preceding discussion. This discussion will be resumed in Chapter 5.

Structure, Culture, and Failed Reform

President Kim Young-Sam had pledged to clean up old politics by severing the ties of power-money collusion once and for all. He officially refused to accept political

contributions and distanced himself from business leaders. Kim's image as a clean politician, however, was shattered toward the end of his five-year term. His promises of democratic reform and moral politics were irreparably damaged when his most trusted aide, Hong In-gil, was arrested on charges of influence peddling and a loan scandal in association with Hanbo Steel, which eventually collapsed. When his second son, Kim Hyun-chol, was also tried and convicted for illicit activities on behalf of chaebol interests, President Kim Young-Sam lost his power of moral persuasion. In the context of Korea's Confucian culture, the father is the source of moral authority of the family and his son's illicit acts caused Kim Young-Sam to lose face and moral authority as a political leader.

Kim Young-Sam's anticorruption campaign and the agenda of democratic reform were visibly weakened over time, even without the Hanbo Steel scandal. Toward the end of his tenure, his national governance and reform politics became paralyzed and did not achieve any significant results. Hence, the economic crisis along with political corruption and unfinished democratic reforms remained as legacies of Kim Young-Sam's presidency (Moon and Mo, 1999b: 402). Not surprisingly, public approval of President Kim Young-Sam fell drastically from 90 percent in 1993 to 10 percent in 1998. His five-year tenure in office was called the most "heroic" failure in the history of Korean political history (Shin, 1999: xxxi). How do we explain this failure of political leadership during the Kim Young-Sam government?

Kim Young-Sam as Reformer

At the time of Korea's democratic opening and transition in 1987, Kim Young-Sam was already a proven veteran politician. Kim had long been a champion of democracy and his credentials as an opposition party leader were battle tested and proven during the era of South Korea's authoritarian politics. In 1979, when former general Park Chung-Hee was in power, Kim was expelled from the National Assembly for labeling the Park regime "dictatorial" in his interview with the *New York Times* and calling on the United States to support Korea's democratization. In 1983, when former general Chun Doo-Hwan was in power, Kim staged a twenty-three-day hunger strike to demand democratic reform. Before the hunger strike, which almost led to his death, Kim was under house arrest for more than three years (Shin, 1999: 199).

Unlike Roh Tae-Woo, Kim's immediate predecessor, who was a leader in the 1979 military coup d'état and subsequently elected as civilian president in 1987, Kim Young-Sam was a seasoned parliamentarian and a veteran party politician. Kim had won nine elections to the National Assembly and served five times as an opposition floor leader. He had also served as the leader of four different opposition parties after he broke with the first president of Korea, Syngman Rhee, who amended the constitution to permit a third term. Kim Young-Sam's role as the leader of an opposition party, however, ended in January 1990 when his party and

another opposition party decided to merge with the then ruling Democratic Justice Party to form a new majority party for the Roh government. During Korea's authoritarian politics, Kim Young-Sam was a rebel with a cause and a strong belief in democracy.

As an elected president, Kim turned into a reformer with a sense of historical mission to turn the post-Confucian society of Korea into a Western-style, modernized, and democratic nation of freedom and prosperity. Kim Young-Sam's vision was to make South Korea more competitive in the world marketplace in the new age of international competition. Whether and how the post-Confucian society of South Korea could be transformed overnight into an advanced democratic society, however, remained an unsettled issue. Kim's reform package consisted of three separate and disjointed steps. First, he needed to further secure and enhance the political legitimacy of the Sixth Republic. Second, he launched an ambitious program of "clean politics" or house cleaning by eliminating business irregularities and corruption practices in politics and economics. Third, he wanted to enhance Korea's status internationally by promoting active diplomacy and a new initiative toward North Korea.

At the time of Kim's presidency in 1993, the challenge of South Korea laid not so much in restoring governmental legitimacy, which was already secure and sound, as in ensuring political leadership that was both effective and efficient in carrying out democratic consolidation. President Kim Young-Sam, as a democratically elected leader, had solved the legitimacy question in South Korean politics. No other regimes in the past, except the Second Republic under Chang Myon, could make such a claim.

However, Kim Young-Sam's reform agenda during the first year of his administration was a necessary, but not sufficient, basis for leadership. After all, he was elected as president of the country to govern the land for a fixed term of five years. Without slowing down the pace of reforming the society, Kim Young-Sam could prove that he was indeed capable and successful as a president who could provide a sense of direction and vision for the country.

Kim's leadership should have been demonstrated both in a domestic policy agenda, by reviving the economy and making the life of ordinary Koreans happy and prosperous, and in a clear foreign policy agenda. There were indications that the Kim administration was too preoccupied with the question of legitimacy and not concerned enough about performance and related issues of how to enhance economic prosperity. The government was criticized for not being effective in implementing both domestic and foreign policy agendas, including international trade and finance, because of Kim's indecision and lack of clear-cut policy directions and guidelines (Cho, 1994).

President Kim Young-Sam's reform program was the substance of his blueprint for "curing the Korean disease" and building a "new Korea [that] will be a freer and more mature democracy." Kim's reform agenda, the mainstay of democratic consolidation and realizing mature democracy, was carried out in several stages and successive waves of reform, with at least five identifiable sequences and steps

already examined. Each step of the reforms was characterized by a cycle of rise and fall in the zeal and enthusiasm for reform.

Whereas the first three waves of reform were relatively smooth and met by surging popularity, the fourth wave of reform on the economy and the fifth one on local autonomy and segyehwa were more difficult to carry out successfully. By the time Kim undertook the fourth and fifth waves of reform, there was sufficient lead and warning time to alert those with vested interests who were either opposed to reform or less enthusiastic about changes in the status quo. The zeal for reform, inspired by moral conviction and a political sense of justice, had dwindled and was counteracted more by practical and pragmatic considerations.

Kim Young-Sam's reform program beyond his second year in office had already turned into a more or less watered down version of what he called "change, reform, and progress" with less focus and direction. His reform package was now criticized as containing more rhetoric and verbal attacks. His reform on chaebol specialization failed to get off the ground as the government approved, on December 7, 1994, Samsung's bid to enter the already crowded automobile industry with five domestic manufacturers. His administration lacked the political will and acumen to use a stick and carrot effectively. Forceful sanctions were considered essential for enforcement and punishment of the perpetrators of injustice. In this sense, Kim Young-Sam's reform programs, except the trial of the two former presidents in the third year in 1995, became basically moderate and conservative rather than radical and innovative.

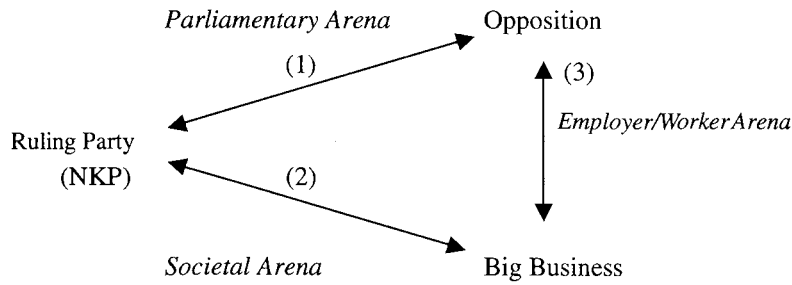
Basically, Kim was not a revolutionary but a reformer intent on bringing about political and socioeconomic change by peaceful means rather than by forceful means or violence. His reforms, even if behind schedule, were not likely to lead to violence or any type of change amounting to revolution. On December 26, 1997, in consultation with President-Elect Kim Dae-Jung, President Kim Young-Sam granted amnesty to former presidents Chun Doo-Hwan and Roh Tae-Woo.

Kim Young-Sam as a reformer was not going to allow a forceful change of the new political order of liberal democracy or an overthrow of the capitalist economic system. He was a product of Korea's traditional culture that emphasized moral and ethical values, overlaid by the sense of harmony and moderation that Confucianism represents. Yet, Kim Young-Sam was at the same time reflective of a political process and movement that aspired to bring about liberal democracy. The rapid modernization and socioeconomic changes that visited South Korea from the 1970s to the 1990s gave rise to pluralism and activated a form of civil society that, in turn, promoted the conditions for democratization and political democracy (S. Kim, 2000).

Kim Young-Sam's Legislative Blundering

The 1997 economic crisis, the financial bailout by the IMF, and the placement of the national economy under IMF trusteeship may have wiped out whatever gains the

Figure 4.1 **A Political Situation of Launching Reform Measures, 1995–1996**



ROK economy enjoyed from an enhanced international status. Something went wrong with Kim's efforts under the banner of segyehwa. Figure 4.1 shows the theoretical situation of the Kim Young-Sam government vis-à-vis the major domestic actors at the time of the launching of its reform agenda and the segyehwa drive in 1996.

The primary political actors involved in the December 1996 decision on reform legislation, in proactive moves regarding the globalization impact, were, of course, the Kim Young-Sam administration and its ruling New Korea Party (NKP) in parliament. They introduced a series of reform bills, including labor legislation, to the National Assembly. Opposition political parties in parliament, which were close in alliance with civil-society groups outside parliament, including the trade unions and nonunion workers, were bypassed in the process of enacting these reform bills. There were three main structural arenas in the interaction among the relevant political actors and their interaction processes.

These interaction arenas and the pattern of their interaction, in terms of whether their respective position was positive, negative, or neutral on the issues of reform measures, are shown as follows:

Structure of Arenas	Pattern of Interaction (Positive, Negative, Neutral)
1. Parliamentary arena	–
2. State/Business Arena	+
3. Employer/Labor Arena	–

In 1996, on the eve of launching the segyehwa drive, the Kim Young-Sam government was confronted with the difficult situation of harmonizing its policy of economic reform that the globalization agenda required and the interests of the major actors of opposition in parliament and others of big business and labor/unions in the civil society. Figure 4.1 shows the game theoretical situation of the Prisoner's Dilemma of the government vis-à-vis the political opposition in parliament in 1996.

Kim Young-Sam's chaebol specialization reform, announced in the new Five-Year Economic Plan of July 1, 1993, had three interrelated objectives: to reduce the chaebol's predominance in the economy, to improve the international competi-

tiveness of each chaebol by encouraging specialization in core business activities, and to promote the small- and medium-sized enterprises as a countermeasure to dominance by the chaebol. Clearly, the pattern of interaction between the state and business was positive, as contrasted with the ruling party and political opposition relations in the parliamentary arena and the employer and labor relations in the economy, which were confrontational rather than harmonious and cooperative.

The political situation at the time of launching Kim Young-Sam's labor reform measures in 1995–1996 was as follows. Although Kim Young-Sam was elected president as the DLP candidate in December 1992, he soon acted to reconstitute the ruling NKP by changing its name, which resulted in some defections and realignment in the National Assembly. The new NKP actively campaigned for the general elections to choose members of the fifteenth National Assembly held on April 11, 1996.[14] In this election, Kim's NKP won 139 seats, including those allotted by the proportional representation system. The result was 11 seats short of a simply majority in the 299-member parliament. However, the NKP succeeded in securing a house majority by winning over twelve lawmakers-elect, who switched their party affiliations and joined the ruling camp, which included independents and some opposition party members. Therefore, the Kim Young-Sam administration was able to control the legislative agenda through the ruling NKP in parliament during the remainder of its five year-term in office.

However, with its majority stance in parliament, Kim's ruling NKP made a serious legislative blunder in December 1996. By the ruling NKP pushing major reform bills through the legislature in the early hours of December 26, 1996, without debates and participation by the opposition parties, the Kim Young-Sam government alienated political opposition in both the parliamentary and employer-labor arenas. The only initial support and positive response given to the government was in the state-business arena and that was soon the target of antigovernment street demonstrations waged by students and the progressive forces in civil society. These "blitzkrieg" tactics of railroading the major bills, including one on industrial relations, through the National Assembly backfired. They were met by public outcry and by organized labor with charges of foul play and strong-arm tactics and by antigovernment demonstrations and protest strikes (Koo, 2001: 199). In pressing the measures through parliament, the ruling party was in alliance with the business sector in its attempt to stimulate the economy and enhance the competitiveness of the Korean economy in a globalized economy.

To be successful, however, globalization must be preceded by the prior measures of liberalization, deregulation, and rationalization. These were the forces fundamental to comprehensive realignments of the economy. Taking incentives away from the old vested interests and creating new beneficiaries required corresponding structural changes. A key tenet of globalization is deregulation, which opens all sectors of the economy to outside competition. The intent is to increase efficiency to strengthen the economy as a whole.

Such structural realignments did not take place under the Kim Young-Sam ad-

ministration and the result was a discrepancy between the power base and policy behavior. Despite the government's effort to press for active globalization, every sector of society resisted its moves. While business firms were reluctant to adopt global standards in corporate management, bureaucrats also sabotaged deregulation and rationalization more subtly. To workers, farmers, and teachers afraid of losing their rent haven, the implications of globalization were an anathema. Even lawyers opposed the globalization program one way or another (Moon and Mo, 1999b: 405; Koo, 2001: 201).

Kim's earlier pledges to undertake labor reforms in favor of workers were altered to accommodate business demands, which ultimately failed to satisfy either party. Likewise, tensions and contradictions between mandates of democratization and globalization posed profound structural constraints on the Kim Young-Sam administration reform drive (Moon and Mo, 1999b: 407). The pro-business stance of the administration drive toward globalization was shown by the fact that chaebol reforms started to dwindle and did not go beyond making the top thirty conglomerates submit a list of core industries on which they wanted to focus.

It took many years for Japan, after joining the OECD in 1981, to arrive at full compliance with OECD standards on protectionism and market opening, especially in agriculture. But for Korea's Sixth Republic, South Korea's OECD membership involved almost immediate and instantaneous response to globalization pressures. The requirements for the Kim Young-Sam administration to comply with OECD rules and norms for liberalization were clearly harsher and stricter than they were for the earlier Japanese entry.

Structure-Culture Interface of Reform Politics

Kim Young-Sam, as a long-time opposition politician, had a vision of, and commitment to, democratic consolidation and reform. Indeed, the Kim Young-Sam administration made important achievements; it not only depoliticized the military by purging the dominant Hanahoe faction, which was a constant source of military intervention in civil politics, but it also ensured government neutrality and fairness in electoral management. In fact, if not for these achievements, the election of Kim Dae-Jung as new president and the first peaceful transfer of political power by a coalition of opposition parties would not have been realized in the December 1997 presidential election. While preserving freedom of expression and association, local elections and autonomy of self-government at the provincial and municipal levels had come to flourish during the latter half of President Kim Young-Sam's term in office. Despite strong opposition from conservatives and the business community, the Kim administration introduced the real-name financial and real estate transaction systems. These reforms had profound implications for economic distribution (Moon and Mo, 1999b: 402).

Despite these positive achievements, the administration fell short of completing democratic consolidation. Politics remained stagnant due to regional polariza-

tion, a divided National Assembly, a fragmented party system, political corruption, and political apathy that continued to prevail. Of course, one can argue that achieving democratic consolidation was the responsibility of more than a single political leader. While structural rigidity emanating from coalition dynamics delimited the scope of democratic reforms, according to Chung-in Moon and Jongryn Mo, "the partisan divide blocked a cultural shift necessary for democratic consolidation" (1999b: 403).

Furthermore, there was no significant transformation of either the elite or mass public during the Kim Young-Sam era. Patterns of old politics recurred, such as protracted regional, factional, and personal politics. Authoritarian trends remained embedded in the governmental style, while voting behavior remained skewed along regional lines with accompanying political apathy. Absence of political learning and slow progress in the rise of civil society delayed the process of culture shift and democratic consolidation. Thus, Kim Young-Sam as a politician was more "a victim of transitional democracy torn between the new mandates of democratic reforms and the old inertia of traditional politics" (Moon and Mo, 1999b: 404).

The failure of the Kim Young-Sam reform agenda can be explained by an interplay of the political structure and cultural factors. Three structural factors severely constrained the effectiveness of Kim's reform politics. The first structural constraint came from coalition dynamics (Haggard and Kang, 1999). Kim Young-Sam created a grand conservative ruling coalition through the merger of his party with the DJP in 1990. This coalition gradually worked to undercut Kim's liberal posture and ultimately contributed to derailing reform efforts.

The second constraint was related to state structure. The constitutional arrangement of the Korean state had produced the myth of a strong state. But a closer examination would reveal that the entrenched bureaucrats undermined Kim's leadership as they had derailed his reform efforts. Institutional arrangements also mattered. The single, five-year term made the president vulnerable to the lame-duck phenomenon, thus diminishing his authority sooner than expected. At the same time, the weak and personalized nature of the political party system failed to generate institutionalized support for Kim's reform efforts (Moon and Mo, 1999b: 403).

The third constraint on cultural factors was equally critical in Korean politics during the Kim Young-Sam era. Democratic transition in South Korea was not followed by the corresponding cultural shift, giving rise to a timely institutionalization of democratic civil society. Patterns of political socialization were still governed by traditional templates of political culture (Hahm and Rhyu, 1999). Citizens' blind loyalty to regional, local, blood, and school ties delayed the behavioral and civic-cultural reorientation toward democratic consolidation.

While traditional cultural norms deepened factionalism and regionalism in Korean politics, these also undermined Kim's agenda on national governance. Local-level political leaders also manipulated the regional divisions to their own advantage, thereby undermining the process of elite settlement and democratic consolidation (J. Choi et al., 1999). Old practices of exchanging political patron-

age for financial support continued even after the democratic transition, as evidenced by the arrest of President Kim's second son and his associates. "High cost politics in South Korea compounded the situation, aggravating political corruption and eroding the people's trust in government and politics" (Moon and Mo, 1999b: 403).

Democratic transition and consolidation can be regarded as a constant process of political learning through trial and error without which democracy may not develop and mature. Even though some industrial-labor relations showed signs of political learning, there was no significant breakthrough in overall political learning for either the elite or the masses during the Kim Young-Sam era. These included the recurrence of patterns of old politics and protracted regional, factional, and personal politics, along with lingering authoritarian tendencies in governance style, highly skewed voting behavior along regional lines, and pervasive political apathy. "Absence of political learning delayed the process of cultural shift and democratic consolidation" (Moon and Mo, 1999b: 404).

In view of these structural and cultural constraints, it seems misleading to blame the failure of democratic reforms entirely on Kim's leadership or lack of it. Consolidating a new democracy for South Korea required joint efforts by both leaders and followers to secure support for democratic change, cultural shift, and overall behavioral modification. During the Kim Young-Sam era, however, the precarious entanglement of both structure and culture left Kim Young-Sam and his administration without the prerequisites of a maturing democracy; Kim's failure to provide strong and effective leadership simply made the situation worse (Moon and Mo, 1999b: 404).

While democratization posed internal challenges to the Kim Young-Sam administration, globalization generated formidable external pressures (Ikenberry, 1999; and Bobrow and Na, 1999). Unlike his predecessors, however, President Kim Young-Sam responded to "waves of spontaneous globalization in a proactive and even preemptive manner." Kim declared segyehwa to be the leading doctrine for national governance in the second half of his term. He ratified the Uruguay Round agreement and blessed the launching of the new World Trade Organization. He also pursued early, voluntary admission to the OECD. These strategies required opening financial markets and significantly enhancing South Korea's international status. The costs of the proactive globalization drive proved to be high.

In retrospect, the segyehwa strategy of President Kim Young-Sam was faulty in its conception and was consequently unable to face the economic and political fallout. The plan was hastily drawn up and the country unprepared to face the consequences. The globalization campaign was initially designed not only to pacify domestic political opposition, followed by the ratification of the Uruguay Round agreement and the subsequent liberalization of domestic markets, but also to serve as an ideological alternative to replace democratic reforms that were losing popular appeal. The domestic political use of globalization rhetoric, while underestimating its negative boomerang effects, led to catastrophic consequences like the 1997–1998 economic crisis (Moon and Mo, 1999b: 405).

This leaves us with the question of how to further the cause of democracy in post-Confucian Korean society. Despite the popular perception that democracy and Confucianism do not appear to be compatible, the fact remains that "culture is no destiny [but] democracy is," as the opposition leader Kim Dae-Jung claims in "Is Culture Destiny: The Myth of Asia's Anti-democratic Values" (1994b), and that it is possible to further political democracy in post-Confucian society (see Chapter 9). One needs to work with the reality that contemporary Korean society is not only influenced by the legacy of Confucianism, but also by the rapid changes and modernization caused by industrialization, urbanization, and the information revolution. Moreover, acculturation or cultural change is still taking place in such economically developing Asian societies as Japan and South Korea. As such, the new culture of political democracy in Korea is still evolving.

Conclusion

Although democratic transition took place, it did not reach the stage of full democratic consolidation during the tenure of the Kim Young-Sam government. Even if constitutional consolidation by the Kim administration was completed by 1993, South Korea was still short of institutional, behavioral, and civic-cultural consolidation. While traditional political culture impeded democratic reorientation of citizens' behavioral and civil-cultural attitudes as well as elite settlement, vested interests of the conservative coalition prevented the Kim Young-Sam government from completing the processes of institutional consolidation (Moon and Mo, 1999a: 15).

In fact, the critics point out that the Kim Young-Sam administration failed to complete democratic consolidation because the "vested interests of conservative forces, an inertia-driven bureaucratic system, newly emerging political gridlock, and traditional political culture all prevented Kim from completing his democratic reform agenda" (Moon and Mo, 1999a: 21). The South Korean case illustrates that democratic consolidation is much more challenging than democratic transition following authoritarian decay and democratic opening.

The new policy initiative of Kim's globalization agenda was undertaken, for instance, without corresponding domestic reforms, as Chapter 5 will argue, resulting in a "premature opening" and subsequent hardship. More critical was "the resistance of domestic political forces which impeded the process of globalization by blocking liberalization, deregulation, and rationalization" (Moon and Mo, 1999a: 21). Thus, the Kim Young-Sam government efforts at democratic consolidation via reform measures were not well synchronized or implemented. Also, Kim's fifth wave of democratic reform, for instance, represented what Moon and Mo characterize as "a period of incomplete democracy and unprepared globalization" (1999a: 22). Kim's inadequate leadership, combined with structural rigidity, parochial political culture, and transitional uncertainty, all held the Kim government at bay, fundamentally limiting the scope of its policy and political maneuverability (22).

Does the democratic reform of President Kim Young-Sam constitute a "great" reform as stipulated by Oksenberg and Dickson? The answer is both "yes" in promise and "no" in performance. How do we know when and whether a new democracy is consolidated? According to Adam Prezeworski, democratic consolidation is working when the political system "becomes the only game in town, and is so accepted" by the people (1991: 26). From this perspective, the trial of the two former presidents in South Korea was a remarkable feat in that it went through without being challenged by either the military or the conservative political forces, which were the remnants of the past authoritarian rule under Chun Doo-Hwan and Roh Tae-Woo. This is a mark of South Korea's nascent democracy attaining political maturity while successfully attaining democratic consolidation.

Of the few lessons to be drawn from the case of South Korea's "trial of the century" (the sentencing of the two former presidents on corruption and mutiny charges), the following are particularly important and noteworthy: First, the rule of law standard was followed in the successful conclusion of the trial. Trial proceedings followed due process of law in an open court rather than being influenced unduly by the political pressures outside the court. Second, the exercise of political leadership was key to the success of carrying out the reform agenda for a new democracy. Without the strong determination and the historical vision that a reformist politician like Kim Young-Sam personified, the trial episode could have led to political disintegration. Third, democratization is an ongoing process that needs to address the issues of both present and past, especially to rectify the past mistakes of authoritarian practices of the bygone era. The agenda of democratic consolidation, once transition is complete, consists of confronting the legitimacy question "openly and squarely" rather than avoiding or postponing it in the name of maintaining stability and social harmony.

The idea of government by "the rule of men of virtue and wisdom" was intrinsic to the Confucian tradition. Yet, the idea of government by "the rule of law" is also a basic principle of democracy and of the theory of modern government. Because of this apparent contradiction as manifest during the Kim Young-Sam administration, the Western theory of government as well as the Confucian theory and practice of "good government" should not be taken for granted. The business of government, whether traditional or modern, should be guided by "the rule of law" principle that reflects societal morality and ethical standards. Government by "the rule of men" attributed to the Eastern tradition is tantamount to "the rule of law" as interpreted by "men of virtue and wisdom."[15]

What made Kim's "reform halfway down" despite his initial determination to pursue "reform all the way down" was the poor record of performance in the final year of his term when he was a lame-duck president unable to use his leadership to overcome the political stalemate. The collapse of several big business enterprises, including the Hanbo Steel Company, was a serious blow to the Korean economy. The conviction of his close aide and his own son, implicated in the scandal of influence peddling, was a fatal blow to Kim Young-Sam as a reform political leader.

He had to admit the wrongdoing of these individuals as the special committee of the National Assembly aired its investigation openly. Kim Young-Sam used television to give his apology to the Korean people.

Was Kim Young-Sam corrupt as a politician? Corruption is often a loaded political concept. It is a value-impregnated notion because what is corruption to one individual or group may or may not be so regarded by other individuals or groups. Corruption is also culturally sensitive and culturally conditioned as a concept. Culture, and ideas of modernization and democratization, are all interconnected in defining what is meant by corruption.

One could argue that Kim Young-Sam may have been corrupt politically but not personally. Without identifying the cultural context, an attempt to define "political corruption" becomes meaningless. From the Western cultural perspective of liberal democracy, Kim Young-Sam was responsible and should have been held accountable for corrupt acts of influence peddling by his close aide and his own son. Political scientists and philosophers emphasize the presence in politics or the state of the following situation as constituting corruption: efforts to secure wealth or power through illegal means—private gain at public expense (Lipset and Lenz, 2000: 112). As a reformer, Kim Young-Sam failed to do away with political corruption, so Kim Young-Sam as a political leader did not succeed in the end to bring about the full measure of democratic consolidation to Korea's Sixth Republic.

The aim of the reformists was "reform all the way down" when the first wave of reform, an anticorruption campaign, was launched at the beginning of his administration. To put into effect the policy programs of successive reform measures, the politician Kim Young-Sam as a reformist tended to exaggerate the purity of his motives and desires. Yet, "reform halfway down" was what resulted in an end that closely reflected political reality. To begin with, reform is a political act. Unless Kim's reform had turned into a revolution, with the revolutionary zeal of the French Revolution of 1789 or the Russian Revolution of 1917, the reform movements led by Kim Young-Sam were bound to end up with less than a complete overhauling of the political landscape.

Politics, especially practical politics, entails the art of the possible. Politics also deals with the questions of power and influence, which are, by definition, relative in value despite the absolute claims that are made on the grounds of attaining the higher standards of justice and righteousness. This was the tragedy of the reformist Kim Young-Sam, who began his presidency like a roaring lion but ended his tenure with a whimper, as a man downtrodden and brokenhearted. Toward the end of his term in office, Kim's popularity as president was close to the lowest approval rating, between 5 and 10 percent.

In Kim's memoirs, published in early 2000, he demonstrates a high regard for his own historical significance by placing himself above all of his fellow politicians. None of the ROK presidents received a favorable appraisal. Kim was uniformly critical and negative toward his predecessors for their lack of

what he called the "historical consciousness and awareness" that had delayed the democratic transition, with undue misfortune to the Korean people.[16]

"Is culture destiny," as proclaimed by Lee Kuan Yew and Fareed Zakaria (1994), or "is democracy destiny," as countered by Kim Dae-Jung (1994b) and by other aspiring political leaders of the democracy movement elsewhere in Asia? This debate has not been resolved and will continue, as noted in Chapter 9, under the "Asian values" discourse. The issue has by no means been settled in the Korean context, as the preceding discussion of South Korea's tumultuous years involving the politics of democratization and democratic consolidation shows.