

## POLITICS, GENERATION, AND THE MAKING OF NEW LEADERSHIP IN SOUTH KOREA\*

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*This paper examined the social and political background of the rise of new political leadership in the Presidential election of December 2002, analyzing voting outcome that reflected styles of life, thinking, and behavior of young generation. This paper contends that generational effect on voting was very significant as to break the rigidity of political support market consolidated by cleavage structure such as regional division in South Korea. Behind the marginal victory of President Roh Moo Hyun by a 2.2% over the competitor there existed a strong support of young generation that had developed far different cultural sentiments and ideological orientation from old generation. The young generation projected its generational mission on Mr. Roh to reject three main legacies, i.e., state centrism, authoritarianism, and growth-first ideology. This paper analyzes characteristics of his power brokers in the Transition Commission and political supporters, arguing that the progressive attitude such as pro-union, pro-distribution, and anti-elite approaches will receive severe attack from the conservative group, i.e., business and the upper class. Whether his regime successfully realizes the expectation of young generation entirely relies upon the toleration of the conservative group of the substitution of old social order and value system with new ones. It needs time to wait and see how his regime will successfully manage contested terrains where new ones are emerging and conflicting with old ones.*

### IS IT A REVOLUTION?

On January 1, 2003, during the New Year ceremony in the Sociology Department, Seoul National University, a well-known senior alumnus, former Minister and director of a leading newspaper, confessed with deep despair that the election outcome had driven the country to *impasses* in every respect, and that the resulting general crisis would ruin the foundation of Korean society. He added with a powerless voice that we, the senior and old elite groups, had lost in managing the society that was still thirsty for wisdom, experience, and a sense of balance and justice. His confession was the real expression of being kicked out of the center of politics and society. For a while, participants in the ceremony were overwhelmed by a

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gloomy mood.

The next speaker, a retiree and Honors Professor, cynically questioned whether it was a real revolution. The question was aimed at the despair and pessimistic sentiments that had swept the old generation like a typhoon after Roh Moo Hyun's marginal victory, and the consequent shift of power to a handful of nameless people, whose common background was the opposition movements of the 1980s and the civil social movements of the 1990s. The Professor remarked that many people had declared it a revolution; however, everything had remained the same as before. Police stations still stood at the same place, he continued, and the old woman selling vegetables and condiments still sits there at the same spot in the market near his house. He again asked the audience: "Is it a revolution?"

It was in no respect a revolution, but there are significant changes that are revolutionary. First, President Roh Moo Hyun has not been a member of the so-called 'gentlemen's club' in Korean society, i.e., the high society consisting of the prestigious ruling class with property, political power, and high status. Among a few qualifications, schooling is considered as the most important entitlement of entering a gentlemen's club, in such a society dominated by credentialism. Although he is a man of ability in passing the state examination and becoming a lawyer, his absence from the University is regarded as a crucial shortcoming in a president. Second, the profiles of members of the Transition Commission (TC) are striking, beyond expectation. Contrary to previous members, President Roh appointed relatively unknown, but progressive professors from local universities and a few leaders of civil social movements to leading positions. Activists in the labor and feminist movements were included. TC began to take over the government just after Roh's victory, alerting people of the shift of political power to a young, progressive, and inexperienced group. President Roh's supporters are young, bright individuals, and most of them are in their thirties and early forties. His advisory group, the think-tank in the presidential campaign, also includes professors of local universities who have been actively involved in civil social movements for economic and social justice, and in civil intervention in public affairs. Most members of the advisory group are in their late forties and early fifties, and they could not have been leading figures in TC under a different leadership. Members of TC set up the schedules and procedures to review policy reports and government documents, requiring all ministries to submit and present their policy drafts. If one wants to know how TC activities startled both bureaucrats and citizens, it is sufficient to imagine that high-positioned officials, in their late fifties and fully experienced in their jobs, revised important policy measures in accor-

dance with President Roh's campaign pledges, and in the presence of inexperienced and relatively younger members of TC. For instance, Mr. Kim Young Dae, a member of the social and labor section of TC, especially attracts public attention, as he was not a leading figure in labor movements and has less schooling (just below a high school education).

Distributional justice and the consolidation of Korea's diplomatic power in international relations are two pillars that reflect on President Roh's leadership and TC's policy package from the two previous democratic governments. If one more is added, it is political reform, including the party system, recruitment of new politicians, and general election rules to end the regional cleavage between the East and the West. These are nothing new to Korean electorates. However President Roh's leadership is recognized as based on his individual and public character. He is a real commoner with a plain life-style, and was heavily involved in democratic opposition movements in the 1980s, demonstrating progressive thinking and ideas on important public affairs. Thus, it is predictable that the conservative ruling class and leading elite groups are alert, and major presses that strongly and publicly supported Lee Hoe Chang, the promising candidate in the presidential election, are nervous. Chaebol firms and the FKI (Federation of Korean Industry) resist the decision of TC to strengthen the reform of the firm governance structure. Even the White House carefully expressed concern with Roh's sympathy for anti-American sentiment widely and rapidly spreading, largely among the younger generations in Korea.

In January 2003 when TC announced policy platforms in important arenas, most economic indicators declined and generated 'freezing effects.' Housing markets suddenly plummeted due to TC's plan to increase transfer income tax; foreign direct investment also declined because of increasing market uncertainty; the stock market has not been boosted; and consumption was almost frozen by the strong market signal of economic downturn. These symptoms are relatively rare during the period just before the inauguration of a new government that stimulated higher expectations among the people.

What will happen during Roh's government? Can President Roh strengthen his political leadership enough to successfully accomplish his projects? His political base is quite weak and vulnerable because of cleavages and conflict inside the ruling party. He barely consolidates the support of influential politicians in central politics. If conflict occurs between Roh's advisory group and leading politicians in the Democratic Party, then his political power will dwindle. Can he endure the attacks and critiques of old and conservative elite groups in implementing progressive policies favoring

a new concept of social justice? These questions about Roh's government indicate that the election outcome and consequent rise of new leadership is not a revolution, but is defined as an ordinary regime change. However, it has generated a revolutionary like public atmosphere in Korea, which has long been ruled by a conservative and older generation. Kim Dae Jung's government was not an exception. As far as senior personnel have observed, the confessed 'panic in their minds' is not caused by the ordinal and gradual regime change, but is tantamount to a rupture created by the generational change and the ideological shift to more progressive positions in politics and society.

### CULTURAL STRIFE AND THE REVOLT OF THE YOUNG GENERATION

Even five years ago, it was unthinkable that a marginal, young politician like Roh Moo Hyun could be a promising candidate in a presidential election. The so-called 'era of the three Kims'<sup>1</sup> never allowed other politicians to compete for presidency, so that the Korean people had long taken it for granted that new political leaders would emerge after their retirement. The last election of December 2002 coincided with this condition. As the end of Kim Dae Jung's regime approached, people became thirsty for a new leadership with different characteristics from the three Kims. People become more tired of charismatic figures surrounded by retainers, their self-righteous political attitudes, and their eventual failure to satisfy inflated expectations. Two Kim governments had always promised to terminate regional conflict and political corruption through various reform measures, but with no significant results. It is note-worthy that they could not break the limitations of the political system through delaying progress toward substantive democracy. In contrast to visible outcomes in other policy arenas, politics remained virtually untouched during the past two democratic governments.

Major research explains three main characteristics of Korean politics, and argues that these aspects remained almost unchanged during the period of democratization. First, regional cleavage between the East (*Yeungnam*) and the West (*Honam*) is predominant over other cleavage structures such as class, center-periphery, and religion in determination of the political support market. Every candidate resorts to regional ties, betraying the political pledge to eradicate the system of regional confrontation. Second, more often than not, important political party decisions are in the hands of the charis-

<sup>1</sup> Three Kims indicate Kim Young Sam, Kim Dae Jung, and Kim Jong Pil. They have dominated Korean Politics for four decades since the military coup d'état of 1961.

matic leader, ignoring any opposition from younger members within the party. The party system is so rigid as to suffocate new, young, and ambitious members who are expected to renew it. Organizational democracy inside the party has been substantially delayed under the strong presidential system (Przeworski et al., 1997, 2000). The strong presidential system and the rigidity of party organization increased the difficulty in the reproduction of leadership, especially for the ruling party.

Third and lastly, the entrance barrier to the center of politics was high in the system in which the political boss and his retainers monopolized the power to select new-comers, to distribute important positions, and to decide on the distribution of resources, including political funds and public investment. Despite a gradually increasing openness of the political system to outsiders, and an increasing competitiveness of the political party system, it is undeniable that the party system developed characteristics of a 'cadre party.' It is interesting to observe that elite circles had been created and strengthened by networking men of distinction, on the basis of regional, educational, and social background. As in other capitalist societies, they created so-called 'gentlemen's clubs' in politics, economy, and society. However, the exclusivity of the elite circles is especially conspicuous in Korea (Choi, 2002). As Choi states, the exclusivity of elite circles and the intensive networks among them trapped Korea's democratization within a conservative track.<sup>2</sup>

Thus, the natural extinction of the final boss in Korean politics enabled a marginal politician, Roh Moo Hyun, to rise as a competitive and promising candidate for presidency. He won a marginal victory by a 2.2% lead over Lee Hoe Chang, who had held a strong lead throughout the last five years, and was never doubted as next president.<sup>3</sup> Roh Moo Hyun's victory has interesting implications on people's expectations, voting behavior, and voters' value systems. It means significant changes in all these. The election outcome and voter distribution suggests a slight transformation of the cleavage structure, as well as the political culture, in accordance with economic and social development. In a word, the rise of the new leadership was the outcome of the revolt of the young generation — the revolt against the achievement and legacy of the old generation, i.e., state centrism, growth-first ideology, and authoritarianism. It is noteworthy that the revolt ignited a slight, but meaningful change of cleavage structure, especially of

<sup>2</sup> Because of this point, Choi defines Korea's path as 'conservative democratization.'

<sup>3</sup> Roh Moo Hyun won with 48.9% of votes, and Lee Hoe Chang received 46.7% of the votes. The voting rate was 71%.

regional confrontation. The analysis of voting behavior supports this argument.

According to analyses of exit polls conducted by major press and broadcasting systems during the voting day, generation and schooling undermined the effect of regional confrontation between the East and the West, which broke the tight balance between Roh and Lee to a degree. First, regional cleavage turned out to be the strongest and most influential factor in bifurcating the political support market between the East and the West. Mr. Lee, candidate of the opposition party, won by a large margin in the East, the origin of military dictatorship and conservative democratic leadership. In contrast, Mr. Roh, candidate of the Democratic Party (*Minjudang*), won by a large margin in the South-West, the foundation of the ruling party, as well as Kim Dae Jung's political leadership. It is worth noting that Mr. Roh also received slightly greater support from the North-West region, Seoul and Kyonggi-do, where almost half of Korea's population is concentrated. Then, who voted for Mr. Roh in the North-West region particularly, and across the East and the West in general? The answer lies in generation and schooling.

Two figures regarding voter distributions by age and schooling are indicative of the generational effect on politics. Figure 1 examines voter distribution by age, and shows that 20% more adults in their twenties and thirties supported Mr. Roh over Mr. Lee. However, the pattern reverses with age, as

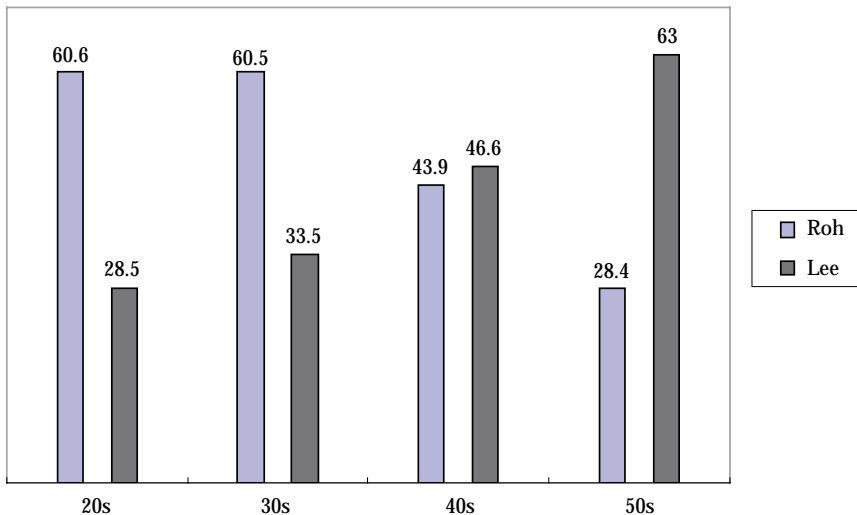
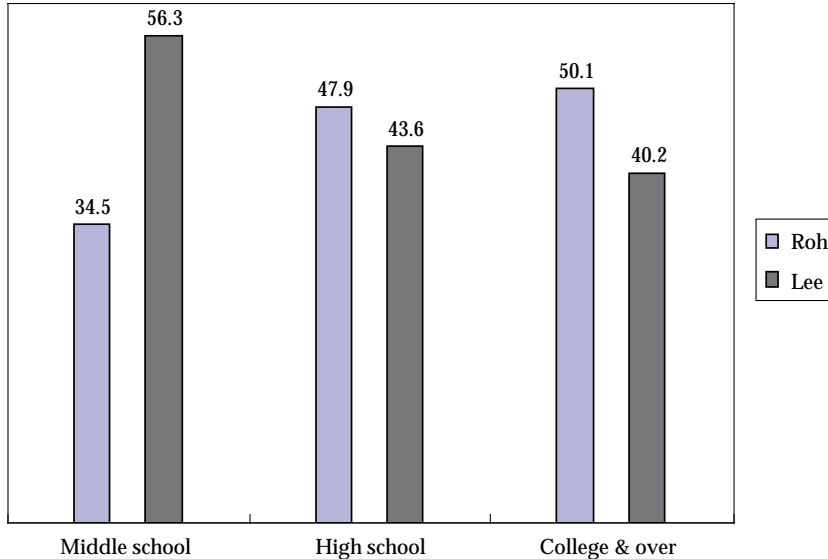


FIGURE 1. VOTER DISTRIBUTION BY AGE.

more adults in their fifties and sixties supported Mr. Lee. In the age cohort of the forties, voter distribution is almost evenly divided (see Figure 1). At this point, it is important to recall the demographic change that age cohorts of the twenties and the thirties occupy almost half of the entire voting population (48%), and the share of voters in their fifties and the sixties was a mere 29% in the last election. If the young generation is more educated than the older generation, it is understandable why support for Mr. Roh appears much stronger among those with higher education (see Figure 2).

Lee Hoe Chang is an experienced and well-qualified leader, capable of representing the ruling class as well as the elite circles. He is an alumnus of *Kyonggi High School*, the most distinguished high school during the old era, and is also an alumnus of *Seoul National University*. It is said that '*K-S brand*' is the best passport to enter the elite circles in South Korea, similar to Oxford-Cambridge Universities in Britain and Ivy League universities in the United States. He was a respectable lawyer, the Chairman of the Board of Audit and Inspection in the Kim Young Sam government, and former candidate competing with Kim Dae Jung. As such, how could Roh Moo Hyun, graduate of a commercial high school, and with no record of higher educa-



Source: Jungangilbo, December 22, 2002.

FIGURE 2. VOTER DISTRIBUTION BY SCHOOLING.

tion, beat him? Why did the younger and more educated generation uphold Mr. Roh's bid for President in a society long ruled by an elite circle? These questions can be answered by highlighting fundamental changes in value systems that were promoted by two simultaneous processes, *democratization* and *globalization*, in South Korea. These will be discussed further in the next section.

It is important to point out the essential feature of 'cultural strife' through which the younger generation attempted to transform Korean politics by constructing symbolic power. They projected their visions and aspirations onto Roh Moo Hyun not because they liked him, but because he seemed suitable for their purposes and more in line with their cultural tastes. Endeavors of the older generation to maintain their influence by consolidating support for Mr. Lee instigated the younger generation's projection of Mr. Roh. The younger generation was convinced that their support for Roh would undermine the domination of old-fashioned institutions and rules inherited from the period of high-speed growth. The main purpose of cultural strife is to overthrow the legacy of authoritarianism, cold war, and growth-first ideology. It embraced free imagination and the uncurbed exploration and future utilization of information technology (IT). The IT revolution in Korea brought forth an entirely new generation, complete with post-material values and anti-traditional styles of thinking and acting in all spheres of society (Inglehart, 1997). As Inglehart argues in his analysis, as compared with those in other countries, the South Korean younger generation was surprisingly fast in accommodating post-material values, thus widening the generational gap in terms of value systems. Did the younger generation function as a generation in the presidential election? Did they intentionally pursue a victory in the presidential election in order to achieve a generational mission? Did they recognize 'cultural strife' at all? The answer to these questions is 'yes,' at least when we observe what Nosamo (the Organization That Loves Roh Moo Hyun) and other on-line communities supporting Mr. Roh had done over the period of election campaigns, and also how three million young adults voted on election day.

The cultural strife that I define as the generational mission against the legacy of high-speed growth has been accelerated by the information technology revolution in South Korea. South Korea is among the fastest nations in constructing an information infrastructure and nurturing the capacity to access global information technology. Internet users number 30 million, i.e., two-thirds of the entire population. This means that almost everyone, except the elderly and children, knows how to use computers. Statistically, average internet use is 14 hours weekly (see figure 3 for internet users by age). The



IT revolution drastically altered life-styles, ways of thinking, and occupational choices, particularly for the younger generation.

First, the IT revolution provided the younger generation with diverse ladders of success by creating new occupations, including computer designer, computer programmer, fund manager, and venture capitalist. Chaebol firms and other promising large firms are no longer sole career choices. The altered preferences and diverse choices also gave rise to significant changes in rules and customs governing jobs and the workplace. Life-long employment became obsolete, and loyalty to firm became an old-fashioned virtue. Instead, workers are more inclined to take jobs in information technology that allow free choice and that require innovative and creative thinking. Their job attitudes have changed dramatically. In contrast, the older generation maintains life-long loyalty to its firms, and prefers work over leisure.

Second, internet communication allows the younger generation to share cultural tastes, sentiments, and sensitivity. It provides users with diverse channels for communicating their opinions and developing tastes. Many people with access to a variety of on-line communities enjoy collecting information and exchanging opinions about special issues. In this sense, the younger generation developed a wider channel to contact others than the older generation had developed, since the latter lacked access to on-line communities. In Mannheim's terms, the IT revolution and internet communication enabled them to develop a generational style and a generational consciousness (Mannheim, 1952). In a critical contingency such as a presidential election, the generational style is apt to be used as a political mission. It is noteworthy that online communities play a crucial role in creating a 'public sphere' in which most young people participate, in order to argue and to state their opinions (Habermas, 1961, 1981). While street demonstrations were the primary mechanism for the older generation to express their opinions, varied methods and channels are widely open to the younger generation in internet space. The 2002 World Cup Soccer Games provided an opportunity for the younger generation to mobilize their will to participate in social and cultural affairs, and to express their cultural demands. The slogan 'Red Devils' was the incarnation of generational aspirations and cultural dynamics. Interestingly, the younger generation operated the internet press and broadcasting station as an alternative to major presses. *Ohmynews.co.kr* and *Pressian.co.kr* represent these alternatives that widened and enriched the public sphere for criticizing the political society that was governed by the old generation. It follows that two internet presses played a crucial role in mobilizing young supporters for Mr. Roh.

Third, the public sphere in internet space filtered diverse opinions into a

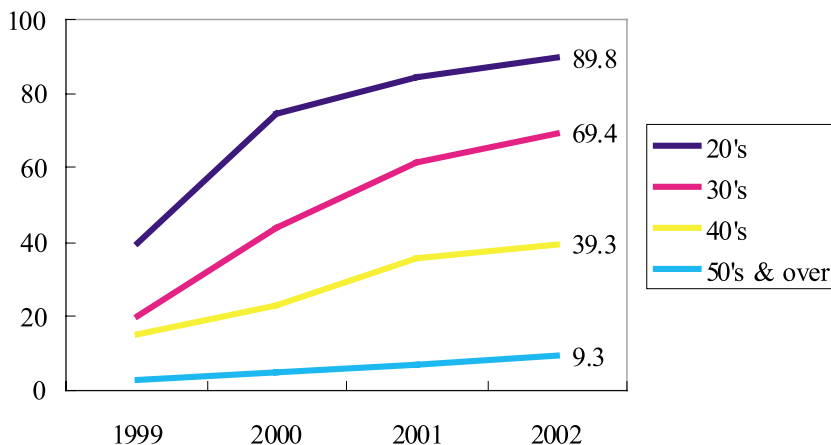


FIGURE 3. INTERNET USER BY AGE.

consistent argument that finally developed as a generational voice and aspiration. Roh Moo Hyun's candidacy was used as the platform on which to break through political and social barriers that the old generation had proudly constructed for economic growth. In this sense, Nosamo, one of the young generation's political and cultural online communities, succeeded in transforming their will to real power by bringing Mr. Roh over to their side. The eventual victory in the presidential election made it possible to combine symbolic power with *Realpolitik*.

Finally, an election day event reveals the power and intensity of generational solidarity. As was widely reported, Mr. Roh faced a crisis engendered by Chung Mong Jun's sudden announcement to withdraw from the political alliance with Roh, just hours prior to voting. Throughout the night and the following day, most internet websites were full of emergency messages to resolve the sudden crisis. It is illegal for any declaration of support or opposition of candidates to pass through press and internet space; however messages contained a *code and connotation* to induce the younger generation to vote for Mr. Roh. It was estimated that some internet sites were interrupted and broken down by 500,000 users' simultaneous access, and that internet access for that purpose accounted for three million accesses during the day. This movement played a crucial, dual role in concentrating deviators to Mr. Roh, and in raising the voting rate of the younger generation that was relatively lower than the old generation's. While the younger generation was hastily carrying out these movements, the older generation felt comfortable with the withdrawal of Chung Mong Jun, and was firmly convinced of

Lee's victory. Roh's marginal victory of 2.2% was the outcome of internet communication that mobilized generational solidarity.

On the night of the election, the young generation was extremely euphoric, while the old generation was shocked. The shock on the first night turned into panic and frustration. The 'internet demonstration' of the young generation was so powerful that it precipitated the fall of the gentlemen's club from the center of politics and society (Song, 2003).

## CHANGES OF VALUE SYSTEMS AND VOTER DISTRIBUTION

South Korean value systems have undergone rapid change in accordance with economic development and social differentiation. The 10,000 USD per capita is not the crucial threshold, but implies a significant transformation in life-style, work, and leisure. As was mentioned, the young generation had quite different social, political, and economic backgrounds, due to the wave of democratization and globalization in South Korea. The young generation has enjoyed the benefits of democratization, and has acquired the rules of survival in the midst of the pressures of globalization. Political freedom and market competition became the essential core of their value system. Surveys reveal the widening distance of value systems between the young and old generations (ISDPR, 2002). First, the young generation has a deep contempt for the exclusivity of the elite circles, based on academic careers and networks. They realize that serious social illness and inertia are associated with these formal and informal '*habits of the heart*' (Bellah, 1985). They want to break the Korean habits of the heart that have strengthened social rigidity. Anti-elitism occurred, and has been widely spreading among the young generation that has to climb the intensively competitive ladder of success, especially through schooling.

Second, anti-elitism promoted commoner-oriented sentiments in politics and society. Anti-credentialism received wide repercussions from various arenas of society. Two years ago, the Minister of Education carefully recommended Chaebol firms and other public institutions not to consider education in employing new personnel. Some radical columnists strongly argued for the abolishment of Seoul National University, which stood at the apex of discrimination based on schooling and educational ties. Anti-elitism has become very persuasive, since the IT revolution removes educational premiums, especially of graduates of colleges of arts and sciences.

Third, the young generation grew tired of the old generation's pledge to eradicate social ills and irrational customs, such as regional conflict, economic inequality, and various discriminations, including anti-socialist and

anti-labor ideology. Despite the efforts of two democratic governments to improve rationality and eradicate old customs and thinking through various measures of reform, the young generation remained discontented with the old generation's passive and conservative actions. Repeated failure to satisfy popular expectations enraged the young generation, and fueled their mistrust of the old generation.

Fourth, the young generation is extremely tired of 'hard politics' mainly imposing obligations for successful reform. They want a transformation to 'soft politics' or 'life politics,' satisfying their demand for new issues that include environmental and ecological issues, human rights, peace, and gender equality. The demand for these issues is frequently expressed culturally and by civil actions. Red Devils, candle demonstrations, and music festivals are expressions of the young generation's demand for 'cultured politics.' For the young generation, Mr. Roh's personal character radiates with these generational sentiments and with cultural sensitivity. This explains why photos of Mr. Roh playing the guitar and buying garments in second-class department stores were quite effective in mobilizing their support in the presidential campaign.

So far, all descriptions explain substantial changes in value systems, especially of the young generation toward post-materialism. Post-materialism implies the preference of human rights, peace, self-realization, and the desire for economic growth and security. As such, Mr. Roh's pro-North Korean attitude in declaring continuation of the 'Sunshine Policy' and in repealing the National Security Law did not exert significant impact on his support base. Conversely, his emphasis on South Korean independence vis-à-vis the United States attracted the attention of young voters. The old generation's concern with the rise of anti-Americanism did not beat young voters' support in the election.

In this regard, the electoral opportunity structure that contributed to the new leadership is best understood by illuminating the changes of value systems and political preferences among a young generation that consisted of almost half of voters. Figure 4 illustrates the transformation of voter distribution that was influenced by the change of value systems (cf., Kitschelt, 1997). Up to the end of the 1980s, just around the beginning of democratization, the locus of party competition was skewed towards Cold War and materialist and traditional ideologies. As with the transition to democracy and increasing globalization, competition rotated from an authoritarian-liberal position to a post-material/liberal-material/authoritarian position. The new diagonal axis reflects the diversified demand of voters for new issues. Close observation of voting outcomes reveals that young voters under forty

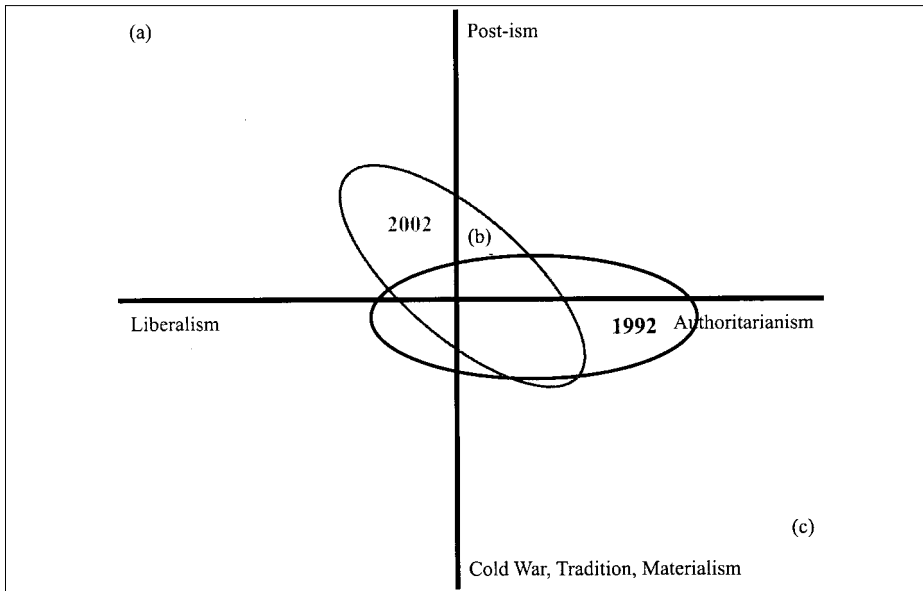


FIGURE 4. TRANSFORMATION OF VOTER DISTRIBUTION.

identify with the liberal/post-material position (a), voters in their forties occupy the center position (b), and those in their fifties and sixties maintain the authoritarian/materialist position (c). It is note-worthy that the majority of voters from their twenties to forties are more aligned with liberal/post-material values. These are the values to which Mr. Roh appealed.

#### PROFILES AND PROJECT OF THE NEW LEADERSHIP

Who are the power-brokers? What are they going to do? Are visions of new leadership different from previous ones? They are definitely not. However, the new leadership is different in terms of the shift of policy weight to distribution and social welfare for lower classes. President Roh's actions are favorable for lower class and industrial workers. As a result, business owners and the propertied upper class experience extreme tension against Mr. Roh and TC. In the long-term, however, their worries and anxiety may be needless, as President Roh could move to the center-right from the center-left with the passage of time. Recurrent economic downturns could press Roh's government to release austere reform measures, as was witnessed in Kim Dae Jung's and Kim Young Sam's governments. Expectations are conflicting. Some complain about the negative effects of

leftist-like and progressive policies, while others agree with the short-term necessity of these policies. The question of what they will do can be resolved by examining profiles of Roh's support and advisory groups.

Supporting groups consist primarily of young men with a common background of student movements and democratic movements. They have typical career paths of the '386 generation,' in Korean signifying those in their thirties, and college cohorts of the 1980s.<sup>4</sup> Leading figures among supporting groups include former presidents of student associations at prestigious colleges, who had the common experience of serving in prison for the violation of the National Security Law. Many important Roh supporters were leaders of student movements and democratic movements after graduation. They tended to be progressive, pro-labor, and, in some instances, radical reformists. It is not an exaggeration to state that they were purely theorists, without sufficient experience with reform politics. Since experience does not guarantee success in the politics of reform, we must wait for at least a year for the most essential reform measures to be accomplished. These presidential aides of the 386 generation will be appointed as middle-ranked secretariats in the Blue House.

The following examination is of advisory groups that consisted of approximately one hundred intellectuals and university professors. Perhaps the TC members reflected their beliefs, policy orientations, and critical consciousness onto the Korean society. Eighteen core TC members reveal a surprising consistency in policy orientation and their diagnosis/prescription of Korean society and economy, although their backgrounds are slightly different. One-half of TC members are professors of local universities. Two chiefs of economic sections are well-known as labor economists focusing on worker welfare and labor rights. While Professor Lee Jung-Woo, a Harvard Ph.D. under Richard Freeman, emphasized worsening income inequality and livelihood wages in his writings, Professor Kim Dae-Whan, an Oxford Ph.D., focused on the effects of Chaebol's discretionary measures on industrial workers. They argue that neo-liberal policy measures such as lay-offs and increased contingent workers are problematic, and that although worker flexibility is inevitable, it should be carefully and selectively applied.

Kim Young-Dae and Park Tae-Joo, in the social and cultural sections, are more radical in stressing the improvement of tripartite commissions and labor unions, both legally and politically. Chung Young-Ae, the deputy of the Female Association in Chungcheongnam-do and a representative of gender issues, stresses the introduction of legal measures protecting moth-

<sup>4</sup> Because of its character, Roh's government is labeled a '386 regime.'

ers at work and eliminating discrimination against women. Professor Seong Kyong-Ryung, a member of the Planning and Coordination Section of Roh's government, earned his Ph.D. from Stanford University under Professor John Myles. He is well-known as an advocator of local autonomy and of the transfer of the capital city for relieving population concentration. He also favors improving social welfare, at least beyond the average level of economic development. Professor Yoon Young-Kwan, chief of the diplomatic and North Korean section, is a Ph.D. from Johns Hopkins University. He has a moderate and balanced vision about pending issues, such as the North Korean nuclear crisis. However, section members such as Seo Joo-Suk, Seo Dong-Man, and Lee Jong-Suk emphasize independence and South Korean self-identity in international relations. Professor Ihm Hyug-Baeg, chief of the political reform project section and Ph.D. of the University of Chicago, under Professor Adam Przeworski, works on the formulation of political reform projects. Thus, TC is the amalgam of progressive intellectuals and activists in civil social movements and labor movements.<sup>5</sup> Interestingly, at TC's opening ceremony, President-elect Roh encouraged all these members to disengage themselves from outside pressure and situational and conditional difficulties.

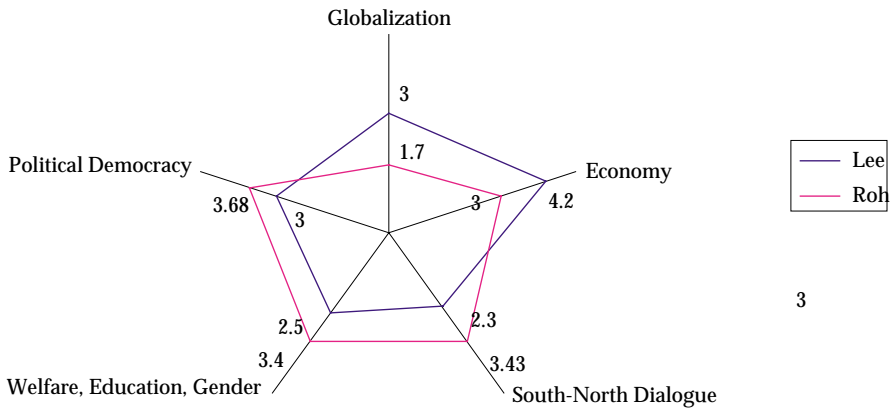
Finally, approximately thirty assemblymen in the ruling party were Roh supporters. They maintained solid support throughout the election campaign, despite wavering approval ratings for Roh. This number is tantamount to a mere one-third of all assemblymen in the ruling party, but will constitute the core group when a new party emerges in the near future. They have more commonalities than differences in terms of policy orientations, vision, and future direction for South Korea. Many of them were loyal Kim Dae Jung followers, and did not hesitate in expressing loyalty to President-elect Roh.

Acknowledging that these three groups constitute the core of the new leadership unfortunately indicates the surprising weakness of Roh's power base. Their appointments to important positions in Roh's government will precipitate the fall of old elite groups, i.e., the current gentlemen's clubs. It is the first time that these elite groups will be excluded from designing a new regime. Presumably, they may be waiting for the time when the new government seriously errs in inviting them back as state managers to ease social discontent and frustration leveled at the new regime. Roh's political power is quite weak and fragile in this sense. However, for some time, he enjoys strong support, especially from the lower and middle classes, industrial

<sup>5</sup> Half of TC members are appointed to important positions in the Roh government.

workers and people who feel marginal and alienated. Combining and consolidating their support is paramount for the success of Roh's government. Key goals for the Roh government are to promote social integration, and to remedy social displacement by improving distributive justice and fulfilling essential aspects of post-material values. According to a comparative analysis of campaign pledges and candidates' orientations, President-elect Roh's policy platform is outlined as follows (see Figure 5). Figure 5 summarizes the results of survey analyses that measure the evaluation of 309 experts regarding candidates' positions on five issues. The relative positions of two competing candidates, Mr. Roh and Mr. Lee, are in contrast. Mr. Roh earned higher scores for political democracy, social reforms such as welfare, education, and women issues, and the South-North dialogue, but much lower scores for globalization and the economy. These scores provide an outline of the policy orientations of Roh's government. These policy orientations are specified in greater detail as follows.

First, Roh's government will introduce policy measures to improve distributive justice. Tax reform is inevitable for this purpose. While it will increase taxes for the rich, including property tax, inheritance tax, transfer income tax, and capital gain tax, various tax benefits will be offered to lower classes and to the working poor. Since skyrocketing housing prices accelerated economic inequality between the haves and the have-nots, heavy taxation has already begun to curb the housing market bubble. Housing markets began to decline just after TC announced this measure. Inheritance taxes for



Source: Chosunibo, December 5, 2002.

FIGURE 5. POLICY ORIENTATION.



Chaebol families were generally welcomed. However, these measures resulted in freezing investments, consumption, and eventually the stock market.

Second, Roh's government will be highly tolerant of social welfare, especially for the middle and lower classes and the working poor. TC has already announced a substantial expansion of poverty policies that were introduced by the Kim Dae Jung government. Despite opposition from FKI and KEF (Korean Employers Federation), TC has also decided to expand social insurance to contingent workers who accounted for almost 52% of all employees. The success of Roh's government depends on the resolution of the deficit of social insurance, such as pension and health insurance, without triggering discontent about welfare cuts. President-elect Roh and his advisory group will be faced with a profound dilemma between inclusive policies and the pressures of cost containment.

Third, as President Roh and TC have repeatedly stressed, economic policies will not differ from those of the Kim Dae Jung government, although the degree of implementation and inspection will be significantly strengthened. TC has emphasized transparency, fair transaction, prohibition of mutual investment, managerial responsibility, and reduction of the debt ratio. TC is extremely aware of owners' powerful domination over affiliated firms through mutual investment. Chaebol began to rationalize the firm governance structure in order to comply with pressure from Roh's government. President-elect Roh firmly believes that rationalizing economy and firm governance structure is prerequisite for economic growth. As such, regulating giant actors, i.e., Chaebol firms, is the most effective way to promote market competition in the Korean context. Nevertheless, business is worried about the absence of economic development and industrial policies in the new leadership's package.

Fourth, the Roh government inherits many social agendas awaiting fundamental reform from Kim Dae Jung's government. Most social agendas remain untouched or unfinished due to Kim's primary attention on economic recovery and dialogue with North Korea. President-elect Roh wants to improve local autonomy by distributing administrative authority and financial resources to local government. Transfer of the national capital to a mid-province location is an ambitious design for the completion of local autonomy. People desperately desire the Roh government to accomplish educational reform that weaken school ties and alleviate private educational costs, without repeating the failure of previous governments. Apparently, Roh's government would be faced with the dilemma between the need for capable elites to lead IT and BT (Biology Technology) industries and popular

sentiments against a social atmosphere based on academic careerism. President-elect Roh pays extraordinary attention to industrial relations reforms for two reasons. One reason is to induce foreign capital investment that demands industrial peace and labor market flexibility. According to a report of the Foreign Research Institute in 2000, South Korea was ranked 11th in the degree of labor market flexibility among 21 OECD countries (OECD, 1999). However, this was due to higher rigidity among regular workers and extreme flexibility among contingent workers. Thus, resolving the insider-outsider segmentation is decisive for labor reform success (Song, 2001). While insiders want job security and oppose lay-off policies regardless of economic cycles, outsiders want to be regular workers and to be paid wages equal to those of regular workers. Roh's campaign pledge of 'equal pay for equal work' will be seriously challenged by business and labor market conditions.

President Roh expects the tripartite commission to deal with pending issues regarding industrial relations, as well as with social and economic agendas. However, there are contradictory contentions about the role and political status of the tripartite commission. Businessmen argue for its abolition because of its initial absence, and bureaucrats view it as a useless organization that disturbs and competes with the policies of the various ministries. TC, as well as labor unions, would like to strengthen it as a substantive organization, necessary for social dialogue. TC seriously considers remodeling it on the model of the Tripartite Commission in Germany and the Social and Economic Council (Sociaal-Economische Raad) in the Netherlands. It is highly possible that TC, with its strong social democratic orientation, will decide on the latter, despite severe opposition from business and bureaucrats.

In sum, projects of Roh's government are not significantly different from those of Kim's government, except for the transfer of policy focus to distribution and social justice. The two concepts seem inevitable in consideration of social displacement and worsened economic inequality that were precipitated by both the foreign debt crisis of 1997 and following neo-liberal policies under IMF pressure. However, it is difficult for the Roh government to address the issues that the shift to 'equality' results in, such as the inevitable sacrifice of either 'state financial healthiness' or 'employment' (Iversen and Wren, 1998). What will be sacrificed does not depend on Roh's preferences, but on internal political challenges, international pressure, and the fate of world economy.

## OUTLOOK FOR THE FUTURE: IS PARADIGMATIC SHIFT POSSIBLE?

The rise of new leadership reflects overall changes in value systems in general and the aspirations of the younger generation to escape from traditional customs. South Korea is undergoing generational confrontation and cultural strife that surround its shift to a more progressive ideology. President Roh Moo Hyun is at the nucleus of symbolic and cultural power, and his mission is to accomplish transformation in the arena of *Realpolitik*. He carefully experiments in placing ambitious and talented supporters in important positions in the Blue House and ministries. Their successful performance remains uncertain. It is apparent that the new regime is not a rupture, but a continuity of the Kim Dae Jung government in every respect. Thus far, descriptions of the new government contain many symptoms advocating a 'paradigmatic shift' of Korean politics and society to a new space. These include new-comers to the power group and to the government, the fall of old elite groups, ascendancy of progressive ideology, and commoner-friendly leadership. Although these are not sufficient conditions for confirming the paradigmatic shift, the revolt of the young generation against old customs, old styles of thinking, and old patterns of state management is worthy of attention. If the *Realpolitik* does not allow new leadership room to progress, the experiment for paradigmatic shift would result in failure, although the 'cultural shift' would wait for another experiment.

The success of this paradigmatic shift relies on political and social movement toward substantive democracy. Although South Korea already passed the transition to democracy and entered the phase of democratic consolidation, heated conflict concerning 'which democracy' has disturbed social and political development (Song, 1999; Kim, 2001; Schmitter and Karl, 1991). While economic performance promotes democratization, democratic consolidation is largely dependent upon social performance. Social performance requires capable state managers who have experience with policy design and crisis management. Policy shift to distributive justice is apt to bring about serious problems in state finance and economic growth. Although the shift of Roh's government is similar to the German social democratic experiment, Roh should be aware that uncurbed unemployment eventually disturbed the ambitious 1997 'Employment Solidarity' of Schroeder's government. As demonstrated in advanced countries, cost containment and distributive justice are not harmonious.

Further, there are traditional but serious barriers to the success of social performance. First, policy design and implementation have been much too

dependent on the bureaucracy. This bureaucracy has enjoyed relative autonomy vis-à-vis politics, despite regime change, as their tenure is permanent as compared with that of political power groups. Reform policies are prone to be distorted and assume different shapes due to the diversified interests of ministries. Incorporating bureaucracy into reform coalition is important for the success of political reform. Similarly, defending against conservative attacks and remedying the damage done by reform policy is also critical for social performance. Management of both the expected aftermath and the 'unexpected consequences' is an essential part of policy design prior to implementation.

Third, consolidation and expansion of reform coalition is especially crucial for the Roh government, since its power base is extraordinarily weak and fragile. President-elect Roh is surrounded with a series of political challenges. The ruling party is crippled with the internal cleavage between pro-Roh and anti-Roh groups that was engendered during the presidential campaign. Restructuring the ruling party or establishing a new party in preparation for the general election of 2004 must be decided on. Managing the veto power of the opposition party, which is the majority party in the National Assembly, is an urgent task for Roh. Finally, greater political support from the East is also crucial in improving the legitimacy of his regime, as regional confrontation will remain a stronger factor than demographic effects in determining presidential leadership.

It is ironic to observe that reform politics during the previous two governments were detrimental to the expansion of reform coalition. Due to increasing social disruption and discontent, people deserted leadership. Although the decline of leadership popularity is not unique to South Korea, its steepness is rarely observed in other countries. In order to avoid the trap formed by gradual cleavage in reform coalition and rapidly declining popularity, it is important to design social policies that do not exceed the capacities of the ruling party, and to induce the cooperation of the opposition party. However, political cooperation is rarely observed in a presidential system that has blocked the opposition party from participating in the government (Lijphart, 1992). As such, how is paradigmatic shift possible? To accomplish this, President-elect Roh takes great effort in developing new possibilities. Experiments have already begun, but a great ordeal awaits him and South Korea.

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