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The economic progress and democratization of the Republic of Korea in Confucian Developmental State theory: how it shaped its position in the world and contributed to its success in handling COVID-19.

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To my family,

fighting COVID front-line while I was 10,000 km away, living a "normal" life,

and to Hyun, who went around Yonsei University looking for the materials

I had no chance of finding while quarantined in a red zone back in Italy.

Thank You. Without your love and support

I couldn't have faced the past three years the way that I did.

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INTRODUCTION

I chose to treat the specific topic I am going to delineate in this section after spending six months, from the start of January to June 2020, in South Korea. I was an intern at the Italian Embassy and Cultural Institute in Seoul and working as a freelance Honorary Reporter for the Korean Ministry of Culture and Tourism, just as the world started to face and adapted to the COVID-19 pandemic. In that sometimes very challenging occasion, I could meet new opportunities: my always-present interest and curiosity for this country was renewed with new observations regarding the unprecedented situation and I could gather many insights around the way the government and the population were reacting to it in their unique ways.

Having said this, the purpose of this thesis is investigating the following research question*: how can the extraordinary economic and democratic development of South Korea be explained based on the specific features that historically characterized both its society and tradition?* More specifically, how did its autocratic and Confucian background overcome and somehow manage to survive its democratization process, coming to characterize and be fundamental backers of today's South Korean (strong) society and (strong) state? Finally, how can a solid, developed, democratic society with high standards of living still maintain its traditions and accept higher degrees of, on the one hand, individual sacrifice for the benefit of the community and, on the other, of hierarchy, of authority of the state, control and social monitoring [1]– like those occurred under the South Korean COVID-19 model?

The answer to the questions I chose to ask with dissertation is contextual, historical, and societal. It must start by the partial refusal of Western-centric dynamics and thought patterns regarding democracy. Therefore, I decided to cover a specific actor within the field of International Studies: The State – leaving in the background other not-less-relevant non-Statal actors. The theoretical base I established as the backbone to sustain my thesis – which I will begin to extensively delineate in the following first

[1] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 76-79)

chapter – is the *Developmental State Theory*, which I broadened in the specificity of the Confucian basis of the country – seen as a State ideology, an institutional practice, and a cultural orientation thoroughly [2]. The basic belief is that understanding the development of a country cannot be based solely on "pure" economic factors; it must comprehend a vast array of features, mainly contextual, historical and societal – the human capital which, in the East Asian region, has been deeply influenced by Confucianism and is an undeniably crucial element for its development. Ultimately, I will delineate how the theories of this group perfectly end up disproving older theories such as Adam Smith's fixed theoretical paradigms regarding the economy or the world-system established by Immanuel Wallerstein (specifically his concept of center-periphery) considering the recent modernization and democratization of East Asian countries.

I will answer to my research questions by dividing them into specifically two areas. During the Second chapter, I will deal with the *economic development* of the state and its incredible growth in the early 1960s until the late 1970s – just after the Liberation from the Japanese colonization (1945) and the poverty, destruction and dependence brought about by the Korean War (1950-1953). During that "take-off" era for progress, the military governments brought about the principles of Economic Discrimination (ED), government-led growth and export-oriented industrialization (EOI), helped both by the strong bureaucratic scheme but also by the traditional Confucian background (specifically, by the concept of *filial piety* and *affective networks*). Specifically, the latter favored a series of dynamics that, among the other things, established the tendency of Koreans to accumulate private savings for future investment, sacrifice, work hard, and strive for the Education of the future generations (forming a crucial highly skilled human capital) and the strong ties between the State and the Business sectors there [3]. Therefore, I will be treating both the historical and cultural reasons why the "miracle of the Han River" came to be and how the same features that triggered and sustained it still characterize South Korea nowadays – proving to be the opposite of barriers to development. The result of that government-led developmental era is that the country's economy, in less than fifty years, transformed from being crumbling down and dependent

[2] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 81,82)
[3] (Cho & Kim, 1991, p. 553,554)

on foreign aid to becoming a powerhouse for global trade and innovation [4]. Afterwards, in the Third chapter, I will outline the South Korean democratization process that started at the end of the 1980s, which transformed the autocratic regime into a Republic. By doing so, I will show how the "economic miracle" initiated int the Park Chung Hee era that lasted thirty years came to be and how South Korea managed to overcome the instability produced by his assassination and progressed further, albeit maintaining the same traditional societal structures and collectivist tendencies towards populism and pluralism – which were, likewise, the motor of its revolution. These, against mainstream and popular belief, are not destined to disappear, but, as they have shown in the past fifty years, they are dynamic and proactive for the positive change of the country – easily adaptable to new conditions (like the organization of labor movements) dramatic or emergency situations (like the 1997 Asian financial crisis) just as well. The Egalitarianism that was reached was thus prone to comprehend the same proactive sides of the economic, industrial, corporate, regional and educational dynamics that led to its fall [5]. Eventually, in the Fourth and last chapter, I will gather all the discussion I created hitherto into one single and very recent example: the model that the country established in 2020 to face the unprecedented COVID-19 global emergency, which gave it fame and praise from international observers worldwide.

[4] (Heo & Roehring, South Korea Since 1980, 2010, pp. 78-80)
[5] (Jwa, 2017, pp. 63-65)

I. Theoretical framework: The Developmental State theory

Over the years the research-based literature largely agreed that states are a functioning a vital part for economic development; it is indeed evident that if a State is weak, this impedes the development of especially poor countries on a significant scale. The *Paris Declaration on Aid Effectiveness* [6] came clean regarding the importance of the ownership of development policies on behalf of the governments to achieve success. However, it is crucial that the state itself remains coherent and oriented towards development and is legitimized to do so.

As we will explain better in the following sections, the success of state intervention can be influenced by political, social, and cultural factors, as demonstrated by the development of South Korea over the past forty years. But what extent can the State exactly reach and what limitations it should be subjected to obtain full development is up to debate. Historically speaking, scholars have altered phases of strong faith in the State guiding development (1950s, 1960s) to periods of criticisms (1970s and early 1980s, given the great debt and macroeconomic instability that countries in Africa and Latin America were facing) and then again encouragement of statal role (1980s, 1990s) following the emergence of the Washington Consensus (which implemented adjustments and market-oriented reforms). Particularly relevant for later in my thesis is the re-evaluation of the role of the state in the developmental process of a country that occurred after the successes (and crises) of several Asian countries during the mid-1990s.[7]

According to some authors[8], the core aspect of Developmental States is the emphasis on the state capacity and its "embedded autonomy" [9]. Therefore, the political sphere of a state as such would imply no normative commitment to any specific kind of

[6] Paris Declaration on Aid and Effectiveness (2005), signed by 61 bilateral and multilateral donor agencies and 56 aid-recipient countries, established a monitoring system to assess progress in countries that were still to develop, outlining five fundamental principle for effective aid to these countries: the ownership of developing countries of their own strategies for poverty reduction, improvement of their institutions and tackling of their corruption; alignment and harmonization of donor countries; focus on results and their measurement and mutual accountability. Source: OECD (OECD.org/Developement/Effective developement cooperation, n.d.)
[7] (Fritz, 2006)
[8] (*Ibidem*)
[9] (Evans, Embedded Autonomy: States and Industrial Transformation, 1995)

regime (even though many turn out to be authoritarian), a state legitimacy that its derived from performance and achievements and a strong awareness of national goals, thus a government that is actively seeking to foster economic development without comprehending the interests of smaller groups [10]. On the other hand, according the classical way of seeing "Good governance" of the majority the Western scholars (including those in the World Bank), the core aspect of a State would be its transparency and accountability (as they are strongly committed to democracy), hence its legitimacy is derived from the representation of the interests of the majority and the protection of the rights of the minority and its political will comprehend the concern for human rights and macroeconomic balance. In this type of setting, the state would therefore set a framework for markets and private actors, namely through the rule of law [11].

My intent with this chapter is introducing the theoretical basis that will support by whole dissertation. Hence, I stress the need of abandoning the classical way of thinking about Developmental States to explore their core characteristics from a deeper perspective, in the light of their own experiences rather than from an external, Western point of view. This will be very useful to grasp what really happened and how development and economic success came to be in South Korea since the 1960s and the democratization process since the 1980s, and why this is relevant in its renewed fame from its recent success in handling the COVID-19 pandemic.

1.1 Theory Characteristics

"The developmental state is not an imperious entity lording it over society but a partner with the business sector in a historical compact of industrial transformation [12] "

First, it is essential to link the theory I am going to present to my focus. Indeed, the theory of the Developmental State is a specific explanation for the industrialization process that East Asia encountered in the last century up until now – especially the Northeastern, capitalistic part, made up of a combination of bureaucratic, economic, and

[10] (Evans, Transferable Lessons? Re-examining the Institutional Prerequisites of East Asian Economic Policies, 1998)
[11] (Fritz, 2006)
[12] Quote from Woo-Cumings, The Developmental State, 1999, p. 16

political features. More specifically, it is safe to say that it comprehends a specific state form that was born from the way that the region conducted its response to the Western domination of the world. Additionally, it is affected by corruption and inefficiency, and characterized by a certain dose of nationalism and by a willingness to remain competitive as well [13].

Chang [14] identifies the developmental state as an entity that can regulate the economic and political relationships and support sustained industrialization, with the goals of long-term growth and structural change, obtained though the political management of the economy (institutional adaptation and innovation), used to ease the conflicts that are inevitable in a process as such. This often implies a well-structured corporate world and the involvement of large economic interest groups (the *Keitersu* in Japan and the *Chaebol* in Korea, as discussed afterwards), to improve the decision-making and coordination of the policies related to investment and spending altogether. Furthermore, societies are encouraged to commit to these joint targets through nationalist sentiments, often asking for sacrifice on behalf of the population to obtain instant economic gains. This context also involves an incredible ability to adapt to the shifting conditions to institutionalize in order to stay competitive in the global market, a feature that East Asian societies tend to have quite naturally [15].

It is important to clarify that, as a pragmatic theory, the Developmental Thesis is not normative – it does not say how the economy is supposed to be, but rather takes up from the observations about the practices that occurred in countries like Japan, South Korea, and Taiwan. As a matter of fact, they all present similar characteristics, and ended up adopting very analogous policies: investment subsidies, low interest rates, credit rationings and price controls. They also had a common binding agent to push them towards the goal of growth: fears of war and instability and willingness to "catch up" with the rest of the world [16].

Later, I will introduce a more particularistic view of the developmental State theory, which takes up from the profound Confucianist culture of East Asia to better explain the South Korean condition and development. Talking about a Confucian Developmental

[13] (Woo-Cumings, The Developmental State, 1999, p. 1)
[14] Mentioned in Woo-Cumings, The Developmental State, 1999, p.27.
[15] (Woo-Cumings, The Developmental State, 1999, p. 27)
[16] (*Ivi*, p. 23)

State, it will be explained how, much like the traditional Developmental State, economic growth has been its primary objective, obtained through the combination of a Strong State, able to stand up to other strong powers – in the case of South Korea, I will delineate how this changed from a strong authoritarian to a strong democratic state in the course of just years –, as well as the adoption of Export Oriented Industrialization strategies (EOI), as opposed to the previous Import Substitution Industrialization Strategy (ISI), and the set-up of an efficient and elitist bureaucracy that facilitated the collaboration between the State and the Market. Likewise, I will demonstrate how, in South Korea, this was strongly facilitated by a Confucian basis, which also supported the success of the most recent model created to face the COVID-19 pandemics, especially on a societal level, and how this went hand in hand with the democratization that the country could obtain since the 1980s, after setting up its economic development. Right Away, I will start by delineating the essential features of a Developmental State according to the Theory.

The first of the many characteristics of the developmental State takes up from its deep mercantilist roots all over East Asia. As it is known, mercantilism is a theory of economic practice of a pragmatic type (as the Developmental Theory itself), meaning not on how things should be but how they operate. It entailed a coherent intervention of the state into the economy, with an outlook to legitimacy of its power and overall growth of the country [17]. Therefore, the focus the attention is much on the *centrality of the Statal intervention* into economic policies. In this sense, to be successful, there are characteristics to fulfill, that can be listed as (as seen later): a pre-existing experienced bureaucracy able to skillfully administer the country, being recently out of a war that disorganized the prewar setting and repositioned the power distribution in the region and among domestic elites as well, a perilous surrounding international system that causes consistent security threats, and the commitment to respect private propriety and the established legal order [18]. According to Johnson, indeed, some of the purposes of the developmental state are adjusting market incentives and providing an entrepreneurial ideal by minimizing hazards and handling conflict situations [19].

This leads us to the second most noticeable feature, *economic nationalism* – which eventually leads to *social mobilization*. Much like other influential countries in the

[17] (Woo-Cumings, The Developmental State, 1999, p. 4)
[18] (*Ivi*, p. 23)
[19] (*Ivi*, p. 48)

European and American continents, if not more, the East Asian regional powers became concerned with survival and competitiveness over the course of the twentieth century. China had its experience into peasant communism, Japan into the MITI and South Korea into capitalism – these are all forms of nationalism, either political or economic [20]. This will be later better clarified through the path dependency from Japan and Chalmers Johnson's analysis of it – he is one of the authors that is most cited in the Theory as it is, in a way, its creator. For now, it is safe to say that the fear of dominion by foreign, western powers contributed to the creation of a national sentiment in these countries that helped societal cohesion and ultimately resulted in being effective for the growth of the economy as well. Hence, in a way, these East Asian states choose economic development as the tool to counter-attack Western imperialism and safeguard their nations. Therefore, societies overlook at the effort to obtain economic development as means to overcome the group depression that had derived from colonialism and war and gain considerable motivation for independence from foreign aid. Supported by Confucian roots as well, the population and policymakers began showing determination, sacrifice and commitment for a true change. We also must considerate that, as latecomers, these countries likely saw their development process as to something that should have been deliberated, rather than obtained spontaneously. Johnson calls this factor the "binding agent" that revolutionized the whole context [21]. It should therefore be reminded that, according to the Developmental State Theory, societies and states are always intertwined, they contribute in "making" each other: social mobilization and class-making is hence an important element in all of Northeast Asian states in their industrialization processes, as there is wide societal agreement on the fact that industrialization is needed and achievable only through state intervention [22].

The world of *Finance* also played a key role into making developmental states what they are, bringing the state and the industrial spheres together. The capability of a state to manage its financial resources says a lot about its ability of effective management and thus its opportunity to grow. Johnson defines the statal control of finance – which typically includes control of interest rates and foreign capital flows, bank loans and not equity capital as the main source for industries, excessive demand of capital – as one of

[20] (Woo-Cumings, The Developmental State, 1999, pp. 2,3)
[21] (*Ivi*, pp. 6-8)
[22] (*Ivi*, pp. 70,71)

the most important aspects to define a Developmental State. As it will be better explained later on, for example, the South Korean Developmental State operated through the subsidization of foreign loans and low interest rates to its biggest business (represented by the *chaebol* groups) and through the creation of political interest groups that would manage this. Therefore, some call this system "political capitalism", as it is solely up to the state to decide how to manage profits and investments [23].

Having said this, it is evident how a competent *bureaucracy* is certainly the central feature of any developmental State in East Asia – much differently from those in other areas of the world, such as Latin America. In Japan and South Korea there were bureaucrats that were trained and picked on the base of meritocracy. Diversely from their Latin counterparts, East Asian bureaucrats were stable in their role and, above all, they had unbiased interests as they were detached from the biggest interest groups of the business world. Therefore, it is safe to say that they were independent and not part of the political power game, albeit playing into it. The elite statal bureaucracy governed after being chosen from the best schools in the country through though national examinations. Their main task was planning an extensive industrial policy, establishing how to achieve it and encourage competition in specific strategic sectors, under precise regulations. Regarding the state's relationship with the business sector, this has changed and adapted through the years, acquiring progressive institutionalization through cycles of regulation and de-regulation of the private sector. As it will be exemplified with the South Korean COVID-19 model established to face the pandemics, the cooperation between the public and private sector is still very much alive and operating efficiently. Evans – another author who contributed greatly to the theory – stresses that the developmental bureaucracy must be "embedded" in society through a network linking all the most influential components of the state together, in a shared outlook to transformation. In this way, the bureaucracy and the government could successfully work together to obtain growth. Like the opening quote of this paragraph cites, in the Developmental State each part of a state, the political and business world (as well as society) utilized the other in an equally and mutually successful partnership, to obtain the benefits of effective production and the goal of development. This, of course, can easily led to the downside of creating a structural type of corruption; it might also be the reason why, for example, it is so difficult to reform big,

[23] (Woo-Cumings, The Developmental State, 1999, pp. 10-13)

family-owned business in South Korea – represented by the *chaebol* groups, the Korean version of the Japanese *zaibatsu* –, and this is one of the major challenges of countries who recently became truly democratic in the area [24].

Authoritarianism is another key factor that famously influenced many of the states that faced development – Japan had it in the interwar period, Korea until 1987 as well as Taiwan. Even though there is no direct correlation between them, they are certainly paired together. It is no secret that often this is the only power that can effectively manipulate market forces and mobilize the majority of the population to work and sacrifice. In the developmental states, however, bureaucrats seem to be more legitimized than the standard authoritarian rulers, as they are mostly seen with respect and a sort of devotion, as revolutionaries. Furthermore, we must notice that the West historically struggled to legitimize the developmental regimes in East Asia for this same reason, often blaming them to the Confucian cultural basis, which somehow would make populations more subservient and the civil societies weaker. But underlying the reasons, as explained later, go sometime further [25]. Bruce Cumings remarks that there is not necessarily a direct relationship between the developmental state and authoritarianism: The East Asian states were somehow obliged to use certain forceful measures because they did not have others as effective. He hence decides to call them BAIRS (bureaucratic-authoritarian industrializing regimes), to signal a specific kind of Northeast Asian developmental state in which the state weights more than the market and adopts intimidating measures to enforce its policies to obtain industrialization, usually later than other countries [26].

The *International Context* serves us as the ultimate characteristic to connect the latter to our purpose. Undeniably, causal explanations of the path that developmental states followed have a high risk of scarifying their history and the context in which they could obtain their growth, often creating cultural misunderstandings. Therefore, as I stated before, we must focus on other factors that contributed to the way in which Developmental States came to be (geopolitics, colonialism and their implicit cultural backgrounds), to have a full, comprehensive view of the whole process. In these terms, we should take under consideration the relationships that the Developmental States had with the rest of the world, particularly with the big powers, and the interests that were

[24] (Woo-Cumings, The Developmental State, 1999, pp. 13-17)
[25] (*Ivi*, pp. 20,21)
[26] (Cumings, 1999, pp. 69,70)

involved, to really see how structurally weak and tied those states were and why they had motives to develop. The Cold War, for example, was crucial for a series of motives: it directly caused the Korean War (1950-1953) and gave Japan opportunities to establish stronger ties with the West. Moreover, this security dependence also favored the birth of a market dependence between big countries and parts of Northeast Asia; it overall pushed the creation of an alternative to the classic Anglo-Saxon way of conducting economics, a different form of *Asian capitalism* with the emergence of countries as semi-sovereign states. Someone compared this dependency to the one that was established between the Soviet Union and its satellites states. These were all valid motives that provided the Pacific divided areas with the willingness to develop, a sort of urgency to break free and gain, at last, a sort of economic independence. Therefore, we have to understand them into the context of the Development theory [27].

Finally, as an introduction to my thesis and the region I will more specifically talk about in the coming paragraphs, it has to be stressed that in the East Asia the Developmental State has been a wonderland for big businesses, but, differently from the Western, northern European "welfare states", it has never protected the oppressed first, but rather the fortunate. It has helped big industries to become able to compete on a global scale first, in order to favor a larger portion of society afterwards and it has been legitimized by nationalist feelings in societies to do so. However, in the end, the payout of these developmental processes was almost everywhere egalitarian, with some countries like South Korea obtaining full democracy later on [28]. Understandably, this can be a contradiction to Western eyes, and it is why exploring the history and concept of this economic growth is crucial, in order to fully grasp the circumstances that led policy makers, especially those in such distant parts of the world, to take up the decisions that they did.

The following paragraphs are based on the studies of a number of scholars, among which a notable one is Chalmers Johnson, who was acknowledged as the creator of the term "developmental state" (driven by market and collectivism, with broad nationalism and a longwinded view of "culture"), starting from the Japanese experience, as an alternative to the Western schools of statal studies of liberal and Stalinist traditions, thus

[27] (Woo-Cumings, The Developmental State, 1999, pp. 20-23)
[28] (*Ivi*, p. 30)

removing the European experience as the central focal point and shifting to the analysis of the historical and situational context of the region [29].

1.2 East Asian Development, NICs (Newly Industrialized countries)

The Four *East Asian tigers* (South Korea, Hong Kong, Taiwan, Singapore) are so-called because they managed to achieve high levels of development and economic growth in a relatively small period. There is consensus among scholars regarding the features that characterized the success of these developmental states: state institutions that were strongly centered and able to prompt economic growth without encompassing particularistic interests – an "embedded autonomy", as Peter Evans called it [30]. This enabled the states to create a bureaucracy that was strongly meritocratic and also long-standing, governing countries for many prolonged years. In this way, civil servants could be isolated from interest groups or any other substrate influence and more focused on their professional experience. Nevertheless, society was incorporated in other ways, namely through social ties in a sort of institutionalized *network* of communication, in order to encompass the needs and demands of civil society and better progress alongside development. In this sense, it was crucial for East Asian countries to establish a committed political leadership (not uncommonly driven by regional conflicts and tensions) and, to a certain extent, to eradicate traditional elites. Moreover, *nationalism* and a willingness to become equals with the Western counterparts were essential elements for the effectiveness of this developmental models. Consequently, societies and elites could look forward to the achievement of economic development as a national priority, a mission in which everyone was involved, committed to and, given the Confucian fundamentals of East Asian culture, to a certain extent ready to sacrifice for [31].

As stated before, *bureaucracy* is an essential pre-requisite to define the Developmental State: it must be skilled, coherent and tied to the business community, even though independent from it. Only in this way can policymaking and implementation

[29] (Woo-Cumings, The Developmental State, 1999, pp. 62-65)
[30] (Evans, Embedded Autonomy: States and Industrial Transformation, 1995)
[31] (Fritz, 2006)

be effective. In the East Asian region, this fundamental characteristic of the developmental took different factual shapes, therefore we can now confidently say that we have a variety of diverse experience to analyze. Moreover, as Pete Evans stresses, from these experiences and the imperfections they also encountered during their path, we can learn "transferrable lessons": especially after the 1997 crisis, we can extrapolate important advice for innovation and institutionalization in similar contexts, aiming at the advantage and assistance of the developing countries community as a whole. Indeed, the institutional setting that was created in the area produced an unprecedented evolution and progress over the course of just thirty years, and the lessons we derive from it are nowadays still worth learning [32].

It should additionally be stressed, as already mentioned in the paragraph introducing the Developmental Theory at the beginning, that a considerable amount of East Asian states was authoritarian at the beginning. It should thus be mentioned that often the building up of a Developmental State within a democratic setting can be rather challenging, as states might struggle to maintain their political autonomy for a prolonged period of time, necessary to sustain development. However, this is not necessarily an inherent characteristic of all developmental states; simply put, East Asian states, given a series of historical and pre-existing circumstances, happened to be [33]. Nevertheless, we will later analyze how, in the case of South Korea, the subsequent democratization that occurred right after the start of the economic development helped to further expand it and internationalize its success through the acquirement of global legitimacy and, most recently, recognition as an equal power. Regardless, the experiences of East Asian countries in development were pretty much diverse, thus I will restrict my research on the case of South Korean alone, but this clarification and mention to other similar contexts was needed first to better frame the issue.

In 1997, the Asian financial crisis arose several doubts regarding the concept of success in developmental states of East Asia [34]; nonetheless, as time goes on, any economic system might experience seatbacks, and the crisis that arises from that and further corrections typically tend to better the system as a whole in the long term, in a

[32] (Evans, Transferable Lessons? Re-examining the Institutional Prerequisites of East Asian Economic Policies, 1998)
[33] (Fritz, 2006)
[34] (Stiglitz & Yusuf, 2001)

process of economic development and state-building that is not static but rather active and ever-changing, as there is no set unified model of linear path to follow for any State that undertakes development. In the case of East Asia, particularly, the recover was irrefutably swift [35].

Overall, during this dissertation I decided to follow the path drawn by the Developmental theorists, for which I assume that we must think of East Asia in time, context and space; hence, the so-called "Asian/East Asian" crisis should be reframed, as East Asia is far too heterogeneous and diverse to be reduced to a unified model for trade, politics, economy, and inclusive development [36].

Roots in War and Colonialism

A very important premise should be done: all the Developmental States had the roots of their origins somehow in war and colonialism, which aided the rise of the important binding factor of the already-mentioned *nationalism*. This is why studying the wartime period is very critical to understand how developmental states came to be in the East Asian region.

The Colonialist project conducted by Japan over the first half of the twentieth century certainly played a significant part into eradicating traditional elites and place them onto a developing overlook of their country. Initially, this weakened the pre-existing order, creating a sort of fairness through the protection of the state from the intromission of traditionally powerful interest groups into the economy and policy-making process. In a second phase, the latter were replaced by state or business elites [37].

Warfare and imperialism (especially Japanese colonialism, 1910-1945) were certainly the backing of the Korean developmental State as well. Indeed, in a first stage the Japanese established a sort of very strict and harsh developmentalism in Korea at achieving a swift industrialization. Moreover, the Pacific War (1931-45) created consistent social mobilization and dislocation, leading to popular revolts and a civil war afterwards. The Korean peninsula had a strategic position, being located between Manchuria and Japan, and had been supplying them with its natural abundancy of mineral

[35] (Fritz, 2006)
[36] (Woo-Cumings, The Developmental State, 1999, p. xi)
[37] (Fritz, 2006)

reserves and also with inexpensive workforce. Therefore, Japan had logical interests in forcing its industrialization with a ruthless plan initially. This was also the first step for development, and postwar Korea ended up maintaining the same ruling structures that the Japanese set up in their program, with an oppressive state and its coalition with the *zaibatsu* (then becoming *chaebol*) to rule the country, and a credit-based industrial financing to prompt growth. Later, this setting helped nationalist sentiments break out and incited an outcry for popular economic sacrifice and obedience. The existence of "enemies" or rivals as well as the still-consistent likelihood of war around the newly-independent countries favored the strengthening of ties between state and society to obtain rapid economic growth and development, to "catch up" with the others – to the point that some authors wonder whether this was a sheer byproduct of the quest for economic chauvinism [38].

"Path Dependency" from Japan, the Japanese Developmental State

Hereafter, it has been cleared how the legacy that derived from Japanese imperialism in some way provided some subjected East Asian countries with the institutional setting for them to reach development afterwards. But many key authors in the Theory emphasize that Japan itself – with its typical developmental state system – set a *path* for other to follow. In this section I will thus briefly describe it, following the in-depth analysts made by Chalmers Johnson in his crucial contribution to the creation of the theory.

Johnson seldom talks about the Developmental Theory related to Japan and how it sparked consistent controversies in the West. He created the notion of "Developmental State" as to depict the role that the Japanese state played in Japan's notable and unprecedented growth that occurred after WWII ended. He seldom clarified that many of its critics accused him of being heretical because he allegedly saw the state as the only responsible, but in fact he never did: he simply stressed its importance in setting social goals after witnessing the mistakes of the displacement of the market enacted by Soviet economies, other than the role of the support between public and private sectors and, above all, of bureaucracies. He insisted that, despite the discomfort that this can create in

[38] (Woo-Cumings, The Developmental State, 1999, pp. 9,10)

the Anglo-Saxon orthodox theories, the Developmental State keeps on existing and will modify the balance of power in the world [39].

In *MTI and the Japanese Miracle*, Johnson explains the characteristics of the Japanese developmental state extensively. He reminds that it dates to the 1920s, when the government set up a series of steady and mindful policies to overcome postwar economic depression and boost reconstruction and development in the prospect of eventually being freed from the dependence on the US aid. Afterwards, the essential features of the Japanese Developmental State came out more clearly – and they remarkably resemble those mentioned as established key features by the theory: first, a state *elite bureaucracy* that was small and relatively low-maintenance, made up by the best-skilled people in management, well-equipped to attend the responsibilities of collaborating with the state in the arrangement of ad-hoc industrial policies (by selecting the best sectors and the most appropriate means to develop in the fastest way possible and overseeing strategic competition so to safeguard the overall effectiveness). Second, the Japanese Developmental State provided this bureaucracy with the necessary freedom to initiate projects and *function well*, efficiently, thus restricting the legislative and judicial powers when needed. Third, *the state directly intervened in the market* – by creating state-owned influential financial institutions, revising tax incentives, and existing policies, allocating governmental tasks to private and semiprivate organizations, collaborating with public corporations, sponsoring research, guiding administrations and so on. Lastly, the Japanese developmental State set up a special guiding agency, the MITI (Ministry of International Trade and Industry), to regulate and manage industrial policies, on which Johnson focuses widely. It was small but very influential and had a democratic internal structure, with no significant correspondent in other progressive industrial democracies[40]. Indeed, as Johnson emphasizes, the MITI organization made the Japanese model unique, making none of the other Asian cases of development state a perfect clone of the Japanese experience. Therefore, the pattern was exported in other countries (Taiwan, Hong Kong, Singapore, South Korea, the NICs), although not duplicated. As for the specific case of South Korea, it followed the Japanese model improving it – for example, as I will examine

[39] (Johnson C. , 1999, pp. 33-36)
[40] (Johnson C. , 1982, pp. 314-320)

soon, it established the state control of the banks, the Japanese *zaibatsu*, through the *chaebol* system [41].

Therefore, it is safe to say that what happened in the region was a full-blown *path dependency*: countries overlooked what Japan could achieve and translated them into their own schemes for development. In a way, Taiwan and South Korea were first influenced by the model that Japan imposed on them when they were subjected to its empire, then they took inspiration from the way it conducted its rapid growth in the 1950s and 1960s [42]. The essential feature of this model is that, while the power of directing the economic policies and the market seem to be owned by the state in toto, it is actually very hard to trace, it is dispersed through layers, therefore it is also exceptionally *ubiquitous* and *insidious*. Therefore, some call it a "web with no spider", a system where all the Developmental States are interconnected, and to understand one we have to take the whole context under consideration [43].

In The 1990s, Japan contributed to the creation of a speculative bubble it its economy, after years of egotism and condescension (overinvestment, unlimited bank loans), initiating a crisis that in 1997 affected all the other countries in East Asia at the time – as Japan exported the bubble in its neighboring states and Southeast Asia, instead of establishing a reform of its banking system. Because of this, many western scholars concluded that the development of these countries had been an "Asian miracle", meaning an occasional event that came to be for mainly luck reasons and that was not destined to have permanent consequences. Many arose a specific question regarding the case of the most recent global financial crisis: were the developmental strategies themselves the direct responsible or rather was it their disappearance in the 1990s following democratization? I will answer to this question extensively in the third chapter of this thesis [44] .

The World Bank's East Asian Miracle report

[41] (Johnson C. , 1999, pp. 40,41)
[42] (Woo-Cumings, The Developmental State, 1999, p. xi)
[43] (Cumings, 1999, pp. 74,75)
[44] (Johnson C. , 1999, p. 33)

Among scholars there are competing views regarding the reason why economic policies in East Asia where so successful; some characterize them as "market friendly", others talk about an "industrial policy model" and someone claims they were "profit-investment nexus" oriented. The 1993 World Bank's *East Asian Miracle* report falls into the first category of thought: it stressed the necessity for governments to keep a stability in macroeconomic terms by providing clear and certain "rules of the game" in the name of transparency and accountability; thus, the bureaucracy is asked to maintain confidence in conducting its business while avoiding subsidies that might disorganize the market – and to do so, it obviously has to be competent in economy but with no entrepreneurial spirit or interest in the industrial sphere whatsoever. On the other hand, according to the "Industrial policy" scholars – of which the frequently mentioned Johnson was the utmost precursor, followed by Amsden [45] and Wade [46] – the center are rather the policy makers, which, other than supplying the pre-requisites set by the first model, are required to engage in entrepreneurial projects: thus, they must help with the creation of policies aimed at promoting the highly profitable industrial sectors in order to better invest the capital that would be otherwise lost in less-producing sectors, aiding and strengthening the overall growth of the economy. This management, of course, entails a strict control of the business arena, to safeguard performance and positive returns. Finally, a mention should be given to the researchers of the "profit-investment nexus" model, which agrees with the latter on the principle of creating a more-accessible and profitable macroeconomic environment, but lessens the criteria to achieve it, focusing on the management of the overall investments – with special attention to consumption and speculation levels – only. Despite the divergences, all the scholars from the three different models agree that there is a need of establishing relations between government, business and a strong statal bureaucracy, in order to safeguard the independence of the government from the natural pressures deriving from the business world and the market [47].

Having said this, the World Bank's stance is the one that puts the least weight on the role of the state, while still keeping the focus on bureaucracy [48]. This important international institutional organ has therefore developed a project named "Rethinking the

[45] (Amsden, 1989)
[46] (Wade, 1990)
[47] (Evans, Transferable Lessons? Re-examining the Institutional Prerequisites of East Asian Economic Policies, 1998)
[48] (*Ibidem*)

East Asian Miracle", acknowledging that East Asia possessed some truly unique features related mostly to the role that the State conducts in economic development – albeit some drawbacks on this credit have occurred after the crisis as doubts arose in 1997, and the region has been dubbed as affected by "crony capitalism", financial instability and widespread inequality, affected by evils such as corruption, the lack of transparency in regulatory mechanisms or ineffective corporate governance [49].

In these terms, the legacy of the Developmental State theory counter attacks asking: how could it happen that, during one era, the region is represented as a development "miracle" and in the next as an illusion, if fundamentals have not changed? How can thirty years of history be erased from public memory and acknowledgement so easily? The scholars recall that, during the last century, the United states also presented a very popular economic system, the "Hooverism", based on transparency, free market and a laissez-faire philosophy, which however crashed in 1929, nonetheless maintaining the opportunity for further development afterwards. They therefore stress the unfairness of treatment of other developing countries on the same terms – the most notable example being South Korea, which had long been praised since the start of its export-led growth in the 1960s under the guidance of the US, the IMF and the World Bank as well, but not exempted by criticism over its "crony capitalism" later on. They emphasize that, especially in the emerging years, any political economy encounters change, error and evolution in its development and recall that there was never a true consensus regarding the dynamic of economic progress in East Asia. More specifically, the Developmental theorists argue how there has always been a sort of ideological undertone and somehow bias in any analysis that had been done regarding these economies, especially while theorizing their recent successes. Indeed, there has notoriously been vast competition and debate over ever-changing judgements among – mostly Western – scholars [50].

The World Bank claimed that the industrial policies set up by developing East Asian states were mostly futile and that their growth was not higher in the sectors they pushed, compared to others; it also implied than they failed to inspire other developing economies as role models, which should rather be given by Southeast Asian economies, more open and democratic [51]. Johnson harshly criticized this *report*, stating that it is deceptive and

[49] (Woo-Cumings, The Developmental State, 1999, pp. ix,x)
[50] (*Ivi*, pp. x,xi)
[51] (*Ivi*, p. 29)

ideological, based on the willingness to establish a free market globally after the Cold War, following the Western laissez-faire capitalism against the market dislocation that was typical of the Soviet Union. In this sense, the achievements reached by the Developmental States were troublesome for this debate, as they showed the West the possibilities that the state could set up to expand the market and this was somehow inconvenient [52].

Therefore, it is not a case that the World Bank's *report* received widespread criticism from the Developmental State community when it was first published, as they saw unclarity over what was actually to *re*think. Contrarily, they claim that there is no actual need to rethink but rather to "reexamine the framework of East Asian growth [53]", meaning to re-evaluate the commonly-shared assumptions regarding the region in the West, framing what actually happened into a specific set of time and space, to comprehend the context, the history, the society, the politics and the culture that created that unprecedented growth, in order to finally make it justice in a detached, unbiased and as non-ideological as possible view. Hence, while we have to recognize that the *Miracle* report ultimately accepted the diversity and heterogeneity that stands among countries of the East Asian region, it should be admitted that these differences are not to be placed on a continuum – perceiving them the South as more driven towards liberalization and openness and the North as gravitating in a opposite direction, looking forward to when the two would meet in democracy, as it did [54]. On the contrary, we have to acknowledge the fundamental differences and depict them as not inherently similar to schemes that we might perceive as more usual to us, such as liberalism and democracy, but unique in their characteristics as East Asian, and part of their own specific context, history, politics, economy and culture.

South Korean Development

Because of its success in a short time period, the export-led growth that South Korea started in the mid-1960s with the support of the US, The World Bank, and the International Monetary Fund (IMF) is certainly among the ones that are most applauded

[52] (Woo-Cumings, The Developmental State, 1999, p. 49)
[53] (*Ivi*, p. xi)
[54] (*Ivi*, p. xi)

by Developmental State theorists and others [55]. Arisen from Japanese colonialism, this country showed incredible economic sacrifice and determination to develop, which steamed from the intrinsic essential need to grow as an independent power. As I stated before, the Japanese set the model during their occupation – by transforming the pre-existent traditional agrarian bureaucracy into an organization that was strictly authoritarian and all-pervading, arranging the production towards exports of manufactured goods and repressing any instance of opposition with force, thus controlling the lower classes everywhere, creating a political economy that was both oppressive and high-growth oriented [56] . The Koreans later improved in their own way, by creating definite business groups to work together with the government, through financial and labor repression (state-mediated loans), in an ambiguous public-private setting that sometimes resembled "company towns" – with these big businesses in charge of providing employment, housing, education and so on to large parts of the population, in an incomparable combination of business power (large corporate estates) and wealth [57].

As explained better in the next chapter, the Republic of Korea (ROK) is a perfect example of *crony capitalism* – a system of capitalism that focuses on the close relationship between the business sector, (especially specific individuals, families, or companies) and public government officials [58]. More specifically, South Korea implemented a system of management of finance through the *chaebol* – the Korean version of what were the Japanese pre-World War II *zaibatsu*, closely-related, vast, and very influential business groups which often are parts of the same family, that get enriched and powerful over time, to the extent of controlling a large part of a country's stock market and, in a way, influencing its economic choices and policies. The only difference, simplified, is that the *zaibatsu* were mostly active in the industrial and financial sectors, while the *chaebol* manage diversified businesses (manufacturing, services, not strictly related to banking activities) [59].

Since the outset of its characteristic features, South Korea has had around fifty years of persistent, soaring economic growth, becoming a "model of development" for many observers, to the point that the performance of other NCIs is often compared with the

[55] (Woo-Cumings, The Developmental State, 1999, pp. ix,x)
[56] (Kohli, 1999)
[57] (Woo-Cumings, The Developmental State, 1999, pp. 9-19)
[58] (Rubin, 2016)
[59] (Kim E. M., 2017)

ROK as a reference example[60]. I will examine this in depth in the next chapter.

1.3 The Confucian Developmental State

"The legitimacy of the leaders of a developmental state is like that of field commanders in a major military engagement. It comes from people working together, and it probably cannot long survive either defeat or victory [61]".

As previously stressed, the discourse over the Developmental State Theory suffers from a consistent dose of both Orientalism and Occidental Bias. This is particularly evident in the little attention that scholars concede to the development virtue and potential of Confucianism. On the one hand, it is true that it is a delicate matter as the culture bases and traditions are rather complicated and debated variables to deal with when treating social scientific investigations. On the other, their relevance when incorporating ideology and historical context in our considerations cannot be excluded, especially when dealing with East Asian countries as I am doing in this dissertation [62]. Furthermore, the legitimacy of those Developmental States cannot be explained by the usual state-society categories of Anglo-American civics only (such as civil society and its absence). They are not a "late blooming" of European or American democracies, they are so much more. Indeed, democracy and the setting of the same Developmental States more often gathered public support there – an example of this can be traced in the public resentment that arose in South Korea against the rules set by the IMF in 1997. In a way, the legitimacy of governments in Developmental States is a revolutionary one: it did not stem from their consecration (their charisma or authority) or formal rules (the rational-legal setting) – the classic Weberian "holy trinity" – , but rather by the fact that they promised to realize specific social projects for the growth of the country by bettering conditions of the market (not central planning), which includes people who are committed to *sacrifice* for a common goal, the transformation of their country. In these terms, we can see how legitimization did not come from the way the state gained power, but rather its successes

[60] (Kohli, 1999)
[61] Quote from Johnson C. , 1999, p. 53
[62] (Woo-Cumings, Introduction: ChalmersJohnson and the Politics of Nationalism and Development, 1999, p.26)

and the accomplishment of its promised goals – and this is also why, as I will explain through the example of the democratization process of South Korea, a Developmental State is more prone to crisis (the 1987 revolution) and also to encounter and welcome transformations after reaching success in one field (in this case, economic development). It is therefore our duty to search more reasons why, going beyond the western-centric dialectic we are most used to, to see how society could devotedly move for authoritarian governments first and democracy later, in the name of national growth, in order to have a full understanding of the phenomenon [63].

South Korea has had an incredibly rapid economic growth, obtained from a specific set of elements combined: a strong state, economic policies guided by the government, an outlook and preference to exports and industrial development policies enacted by large firms. The Washington Consensus traditional theories generally claim that, in order to integrate into world economy successfully, developing countries must privatize, abolish subsidies, remove trade barriers, deregulate, and integrate; they typically fail to integrate a crucial aspect for societies like East Asia in this process, meaning the sociocultural dimension. Therefore, during this dissertation, I will discuss this extensively, starting from a basic assumption: economic coordination and success, in the case of Korea such as that of other East Asian countries, was fundamentally sustained by a series of *networks* and linking elements that enabled cohesion in the different and de-regulated parts that formed society. These elements were tied together by a strong, *Confucian* cultural basis [64].

Starting from the explanation of the "miracle on the Han River" I will create a discourse over the different cultural, social and political aspects that, in the past forty years, led South Korea to its modern success – from being a Developmental State to a full, integrated Democracy that, most recently, shone on the global sphere thanks to its unique way of handling the Covid-19 emergency. I will do this specifically by combining its Confucian tradition with its recently acquired elements of economic management and democratic institutions. In this sense, I will focus on an expansion of the original Development State theory, more centered on Confucian terms, showing, for example, how the very vital concept of *filial piety* (which includes typical Confucian values like a

[63] (Johnson C. , 1999, pp. 51,52)
[64] (Horak, 2016)

work ethic prompted at self-sacrifice and a very high commitment to education) played an essential role in shaping Korean society onto a renewed economic development and, subsequently, to democracy. While following the historical and chronological path of how South Korea's 21st century position was acquired, I will describe how social cohesion and capital but also the respect of hierarchies and trust were fundamental to link the new concept of State to a traditionally Confucian society as such. The final aim will be exemplifying the South Korean Covid-19 as to demonstrate how all these apparently conflicting elements (a traditional Confucian societal basis, an authoritarian and developmental past and a recently acquired democracy) can actually interplay very well in applied real situations and, above all, global emergencies [65].

"In East Asia, the pattern of state-society relations historically differs notably from the modern Western pattern, and the distinctive features of the East Asian pattern do not simply disappear after industrialization or democratization. In East Asia, the states are organizationally pervasive without clear-cut boundaries. Their powers and functions are diffuse, and they pay little respect to due process. Consequently, the lines between public and private, political, and personal, formal and informal, official and nonofficial, governmental and market, legal and customary, and between procedural and substantial, are all blurred [66] *".*

[65] (Horak, 2016)
[66] Quote from Ding, "Institutional Amphibiousness," p.317

II. The Economic Development of South Korea

In the *Enigma of Japanese Power: People and Politics in a Stateless Nation*, Karel van Wolferen highlights how at the end of the 1980s the West began to nourish doubts regarding the degree of responsibility that Japan was putting in politics and trade, specifically regarding its mysterious, unclear, and unique scheme of conducting business. For instance, high spheres in the West began to notice more attentively how the Japanese favored collectivism over individualism thoroughly, they openly rejected Western logic, statecraft, philosophy, and general morals (such as those coming from transcendental truths) and this was very far from their own way of doing things. Van Wolferen, like many other analysts in the 1980s, thus established that Japan could not be called a democracy. Nevertheless, their studies are misleading: they mistake the State with the vast category of Culture, creating misunderstandings. State, Society and Culture are, in this such as in other cases, part of the same scheme to analyze a country, but they are different entities, all affecting its development but certainly not the same thing [67]. Why could this confusion happen? There is a deep cultural basis that we can trace back to East Asian Confucian roots which connect the development of these states; we have to understand it in order not to fall in this rather presumptuous and Eurocentric trap. The instances I will soon delineate determine indeed fundamental basic differences between the Eastern and Western ways of conducting business – therefore, initiating development and growth and establishing their schemes of action as well.

This said, in this chapter, I will proceed to treating the Economic Theory of the Developmental State by placing it in a more specific scheme, that of Confucianism [68]. To do so, given the specificity of the matter, I will analyze in depth the characteristics of the development of the economy of the Republic of Korea and its Confucian roots (connected to the already-mentioned Developmental Theory) and organizational type, the main focus of my thesis. In next chapter, I will integrate this with its subsequent history, involving the democratization process, explaining how this impacted its further development and

[67] (Woo-Cumings, The Developmental State, 1999, pp. 66-69)

[68] With Confucianism, I here refer to the system of popular values that is shared between China, the Korean peninsula and Japan, which comes directly from the teachings of Confucius and his followers – further shaped by instances of Taoism, Legalism, Mohism and Buddhism, alongside Shamanism for the sole cases of Korea and Japan. (Source: Cho & Kim, 1991)

made it assume the defined structure we can see in today's world. Much of my analysis is based on a book I could luckily find in Yonsei University's archive, *The Korean Economic Developmental Path – Confucian Tradition, Affective Network*, edited by Seok Choon Lew, which collects a series of works from many Korean scholars on this specific topic. I will integrate this with an extensive study conducted by Cho Lee Jay and Kim Yoon Hyung, which focuses on the Policy Perspectives and their Confucian bases, and one conducted by Jwa Sung Hee, Chairman of President Park Chung Hee Memorial Foundation, (*The Rise and Fall of Korea's Economic Development – Lessons for Developing and Developed Economies*).

I already digressed on the influence of external factors on the Developmental States – the Colonial Past and the forced modernization conducted by the Japanese imperialistic schemes, of the Cold War context and the Korean War (1950-1953), the normalization of diplomatic relations and opening of the international market. Likewise, I explained the role of internal factors – such as the role of the State, of *Bureaucracy*, and of *nationalism*. Therefore, after treating the emergence of the NIEs and the main characteristics of their Developmental States in general, I will now focus on *the Miracle of the Han River*, meaning the incredible post-war economic progress (export-led growth), rapid industrialization, urbanization, modernization and emergence of State-led capitalism conducted by the Republic of Korea starting from the mid-1960s up until the end of the 1980s, which eventually favored societal change and democratization – also leading, in modern days, to the *Hallyu* phenomenon, the incredible rise of Korean pop culture internationally in recent times, not analyzed here. I will now examine how this came to be, emphasizing some crucial societal and cultural factors that greatly helped this success, all with a strong Confucian basis – the underlying ideological foundation for labor cooperation, subordination to the authority and harmony, all vital assets for obtaining an efficient economic growth. More specifically, I will highlight how, in the case of South Korea, the stress was put on the idea that national strength and pride would be achieved through the same economic development, thus the identification of both industrial labor and economic objectives with national aims was essential to create a willing labor force. This strong collective aspect of work would thus represent the solution to all social ills of South Korea (especially poverty and the defense against the threat from the North). In this sense, I will underline how the typical Confucian values of

collectiveness, sense of oneness and cohesion (like a family, *filial piety*), *self-discipline, sincerity, diligence, hard work* and, most importantly, *sacrifice*, other than providing the basis for the incredible growth that was obtained, also created a legacy that turned out to be very useful in other situation as well, such as the recent handling of the Global Covid-19 pandemics - explained more fully in the last chapter of this dissertation as a case study comprehending all the elements I will delineate in this chapter and the next. There lies the thesis relevance of my case study: after having underlined the democratic elements that South Korea could acquire as well, I will delineate how these cultural, structural, and societal characteristics contributed to the success of the model that the country established to fight the disease, exporting it on a global scale. Indeed, the general established philosophy in South Korean Society of enduring fairly harsh conditions from past stimulus and willingness to change the future for the better, makes the population more prone to sacrifice individual wellbeing for the community, and this renders the facing of national and international crises, like a global pandemic, in a way easier to handle.

2.1 The shortcomings of the standard political-economical explanations

The South Korean Economic development of the past 60 years has been researched, albeit not in depth, for its uniqueness and the lessons that other developing economies can potentially take from it. The interpretations that scholars made of it are often contradictory. They are mostly divided in two sectors: the pro-market and pro-government groups – both of them, as I am going to explain in this introductory paragraph, with consistent flaws. The first category – which falls into the realm of neoclassical economy and market fundamentalism – sees the Korean experience as a glitch in free markets, thus something that cannot be imitated elsewhere; moreover, it claims that the governmental merit was little in the process. The second category strongly emphasizes the role of the industrialization policy done by the South Korean government. Both categories fail to incorporate many important elements in the functioning of South Korean development, which I will list in this lengthy chapter [69] . More specifically, if we look into the mainstream camps – which are mainly market-centric and pro-government

[69] (Jwa, 2017 pp.1-4)

or rather pertaining to the democratic political standpoint– we can easily notice how they contributed to creating some notorious myths about the Korean economic development. I will discuss this better later on. As for now, I will merely debunk the instance of some classic economic theories, wrongly applied to the Korean case, as to clarify why a more in-depth, culturally based analysis is needed.

Firstly, it should be stressed that most economic development theories present weaknesses in explaining the Korean developmental experience as well. For instance, starting from Adam Smith's liberalist *laissez faire* market model it is easy to see how the strong elements of concentration of economic power, conglomerations and elitism of the Korean experience cannot be comprehended well – in *Wealth of Nations* (1776) he notoriously criticized the role of large corporations. Nonetheless, economists started focusing more precisely on Asia, Africa, and Latin America only after World War II, during the 1950s, thus *development economics* was born as a separate field from classical economics. The early "capital-injection" school of developmental studies focuses on the degree of saving, the investment spending, and the efficiency of capital in a country to explain its growth, thus it cannot explain, for example, changes in labor productivity and technological advancements or any other strategic policy implemented (particular investment strategies), very important elements for the South Korean case. On the contrary, Neo-classical growth models (like the Solow growth model) tie economic development to only three factors: technology, capital buildup and labor force, thus failing to include capital injection (and savings), as crucial in the South Korean development as the others; they also ignore the economic causes of technology development – rather than spontaneous, in developing countries it is often induced. Furthermore, The Revisionist approach focuses on human capital and innovation factors such as education and the Infant Industry argument acknowledges the importance of the government in correcting the dangers of the market, but these do not treat a direct type of intervention like the one that the South Korean government enacted regarding the promotion of big and private firm corporations. Finally, the Washington consensus promotes private property rights, social capital, education, the rule of law, research. economic freedom and overall macroeconomic solidity – a list of policy objects that are strictly centered on the market and do not to allow for a full understanding of the starting conditions of underdeveloped countries. Similarly, Egalitarianism establishes economic

fairness as a precondition as well as a goal to obtain before and alongside economic development, but this, sadly, is not always attainable for many Developing countries as they might start developing their economies while still being authoritarian regimes, becoming democracies just subsequently – such was the case of the ROK. Having made these considerations, it is safe to say that the Korean Growth Miracle was brought about by a combination of different components, which none of these theories could grasp completely. Certainly, as the already-cited World Bank *Report* states, it was greatly helped by its export-centered neoliberal policies, but this is not all; likewise, its industrial policies and control of financial sectors greatly contributed, but neither this entails everything that there is to say about the process [70].

Therefore, to have a wholly comprehensive view, we need to incorporate these theories with more elements that we derive from both the Developmental Theory and its extension focused on *culture* in our analysis, to fully grasp the ways and reasons of the South Korean development of the past sixty years. We specifically have a need for an innovative, multidimensional, cohesive assessment to convey the interaction of cultural, social, and political dimensions into its path. The most notorious scholars of the Developmental Theory – among which, the already mentioned Johnson (1982), Amsden (1989) and Wade (1990), as well as the World Bank "*miracle*" report (1993) – set standards to describe the nature of the East Asian Developmental State that I already discussed: the focal role of the governments allocating the resources to specific sectors and building infrastructures around the industrialization of the country, the encouragement of public firms and the business sector and bureaucracy, thus justifying the good performance and contemporary obtainment of equality as a unique characteristics of Asian economies. However, the fundamental premise to this conclusion of theirs is that the region is homogeneous, coherent, and economically integrated; this is demonstrated by the terms they use: "Asian Miracle", "yen Block", "tigers", "dragons" and so on. On the contrary, the commonalities between the countries in the region are not many, in fact they are very different among themselves in nature, ideology and, most importantly, in the diverse degrees of success they obtained from their developmental routes [71]. Specifically, about the Korean developmental path, mainstream scholars

[70] (Jwa, 2017, pp. 11-19)
[71] The *report* tried to address this problem and find a solution by discerning between first-tier (Taiwan, South Korea – the so-called "little dragons") and second-tier newly industrializing countries (Indonesia,

demonstrated weaknesses in their Developmental Theories because they focused too extensively on economic policies and institutions, failing to underline what was really unique about the Korean case – not explaining why, for example, some underdeveloped countries that pursued the same strategy South Korea enacted could not catch up at the same fast pace [72].

Of course, the *political leadership* and the nature of the *institutions* play a pivotal role in influencing a country's functioning, its economy and also its society. But informal institutions – ideology, mentality, and culture – are crucial as well. In particular, *ideology*, which conveys ideals and objectives, largely contributes to determining the shape of market institutions and also the national economic performances, working on the first elements in the chain, the economic agents and their decisions – specifically, their will to change the status quo. But their behavior – and therefore the whole society – is principally shaped by the underlying *history* and *culture* of the country, being the generally accepted value (thus the standard rule of conducting daily business) by the majority of the people inside of it. Moreover, culture is persistent, it cannot be changed effortlessly, hence economic development is dependent on the nature of a country's traditions (whether development-friendly or not). But there are exceptions, and South Kore can be seen as one of them: despite its traditions being hostile towards change, they eventually developed alongside the country, becoming more favorable, to the point that they encouraged further development themselves. Park Chung Hee, as I will explain at the end of this chapter and in the next, succeeded in changing Korean society, affecting the Korean way of conducting life, therefore shaping the economic choices and effectiveness. Indeed, for more than five-hundred years Koreans were notoriously seen as lethargic, disorganized, dependent on other powers and irresponsible, but since then they kept showing to be the complete opposite, all because their culture was able to welcome and develop a bold transformation from within [73].

Malaysia, Thailand, highlighting that, however big their differences in initial condition and timings, both tiers produced an economic miracle thanks to a combination of government intervention, market forces and market-friendly industrial policies. Nevertheless, even in the same group of countries, there were different degrees of state intervention, industrial policies and measures. Some scholars for example claim that South Korea and Japan followed market-substituting strategies, while Hong Kong and Singapore chased market-completing dynamics, and, above all, the role of the government varies among all of them.

[72] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 3-4)

[73] (Jwa, 2017, pp. 27-30)

Therefore, I will now focus on a diverse aspect of Korean development, going deeper and more specifically into the Developmental Theory. I am going to explore the way that the sociocultural setting of Korea could work behind the scenes of its incredible development. To do so, I will just briefly mention the economic and political institutions, and then I will put them aside to feature the interplay between the strong Korean state and the strong Korean society that came to be over the past sixty years of history of the country and how their *generalized rec*iprocity ended up profiting the developmental path – as suggested by the already-mentioned concept of "embedded autonomy" promoted by Evans [74]. Indeed, institutional arrangements themselves can be the result of the relationship between these two elements, and not the other way around. Countries can copy strategies from other countries, but they cannot obtain the same exact result because they are not inserted into the same exact sociocultural context. Consequently, while we can perfectly delineate and understand the objective characteristics of the Korean developmental path, we cannot claim that other developing economies could or can in the future follow at the same exact pace, emulating it in every aspect, as it is unique of Korean society and it has been connected to its own traditions. They can absolutely take inspirations and teachings, but they will develop their own based on their own sociocultural model as it can be used as an effective positive factor for development. In the specific case of Korea, these resources are *Confucian traditions* and *affective networks* [75].

Overall, it is safe to say that the Korean model for development can be articulated in formal and informal sectors: the first ones include the *Economic dimension* – made up of economic policies, industrial sectors, investment, and trade –, and a part of the *Political dimension – the State*, whose autonomy and capacity relies on bureaucratic coherence and whose disciplinary code is dependent on the embeddedness of the rural middle-class – which we will discuss in the following section. The latter includes part of the Political and, most importantly, *Socio-cultural dimension*, comprehending the *social capital* based on *affective networks* and a *generalized reciprocity* among *cultural and traditional elements* characterizing society; this will be discussed extensively in the rest of the

[74] Evans, 1995
[75] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, p. 4)

chapter following after the succeeding brief section, as it is the focal thesis of this dissertation [76].

2.2 The Economic dimension of South Korean Development

Among scholars of the Development theory, as stated before, there is shared agreement on the fact that the Korean government had a crucial strategic role in prompting industrial policies; they have diverse visions, however, regarding the specific interpretation of such policies on behalf of the state. On the one hand, some stress that they were *market-enhancing* (or *market-friendly*), meaning free-trade policies aimed at achieving strategic participation in the international economy – this was specifically the position of the World Bank, and it forms the classic institutional setting of the Anglo-Saxon Model. Therefore, if we follow this view, talking about a unique Korean model would have little theoretical significance. On the other hand, someone claims that they were rather *market-substituting* policies, thus Korea would have reached quick development because it broke the neoclassical economic rules, meaning it voluntarily distorted market prices – this is the position of the already-mentioned Amsden (1989) Wade (1990) and Chang (2003 and 2006) [77].

In any case, it is useful to inspect the main institutional characteristics of the economy of the Korean state to better understand its development first. The first is certainly a form of *financial support with discipline*, which differentiates it from the Anglo-Saxon one in its effectiveness for the different management of three different areas: the trade policy, the industrial sector, and the investment arena. Regarding the first and second areas, the Korean government helped firms in their exports by providing both informational (information on foreign markets thanks to KOTRA, the Korea Trade Agency created by the government) and financial aid, rather than simply focusing its attention on free trade (comparative advantage) dynamics – and by doing so, in a way it violated the same principles of free markets, selectively supporting and protecting "infant" industries to better their productivity (with subsidies in the form of loans, tariff

[76] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, p. 18)
[77] (*Ivi*, p. 5)

repayments on export inputs or “wastage allowances”) before facing international competition; at the same time, it operated a discipline on them by establishing periodical screenings of rent recipients and heavy tariffs or direct banks on unnecessary imports at the same time, thus helping, boosting and protecting exporting things all together. As for the third one (the investment policy), the Korean government opted to provide financial support through nationalized banks and, at the same time, discipline it through the control of the capital outflow. These particular ways in which the Korean state organized its financial support differentiated it from Anglo-Saxon ones and made it outperform them at times. In some instances, the government encouraged organizations (exporters’ or industry-based associations, general trading companies) from specific, targeted industrial firms (meaning those potentially becoming internationally competitive in the future) of the private sectors to grow able to perform some of these roles on its behalf. It did so, for example, by subsidizing capital, financing research and development (R&D), creating and organizing unions and dividing markets in industries with unperforming outputs, financing modernization programs, institutes, and public research, sharing information on the newly developed technologies and so on. All of this effort made promising domestic firms able to eventually become economies of scale. Many argued that these selective industrial policies would open up to the dangers of bad management and corruption (by favoring interest groups), but it is safe to say that, for developing countries with less-developed administrative powers, they are the only tools that can prospect success and development while avoiding the waste of precious resources in the process. What strictly differentiates South Korea by other Asian developmental countries that enacted similar governmental support to the financial sector (such as Singapore and Taiwan) is the fact that the Korean state covered a truly disciplinary function in the course of action, intervening with stern control of the private capital (until the early 1990s) in order to prompt its investment and productive usage domestically, with the aim to eventually fully develop those firms that would be able to export abroad and raise the collective competitiveness of the country. This meant that the state, at first, controlled every economic transaction affecting foreign exchange by owning or controlling the banks that

allowed them and imposed severe punishments to those who tried to evade this measure (including the death penalty) [78].

Finally, another important feature of the Korean developmental state to be mentioned would certainly be the centralized management on the investable capital surplus of the *chaebols* (the privileged, richest class), which prevented the dangers of capital flight and ensured that all surplus that the economy could produce would stay in the country (at least until it could be invested efficiently and not consumed right away) [79]. The individual performances of *chaebols* were also periodically controlled (they had to keep a minimum level of productivity and competitiveness); those who did not comply were banished from the support of the government and thus from the market. This dynamic of control of the consumption of the privileged greatly increased investment and also helped the formation of a sense of national community, where people share the challenges of development in a somewhat equal way, positively impacting the political stability of the country. It also favored the formation of a harsh and brutal competition within the privileged, sometimes even tougher than the same market competition, greatly enhancing the country's competitivity as a whole over the years since its establishment [80].

These are the reason why, oppositely to what neoclassical economists claimed, it is safe to say that, in short, the Korean Developmental State, rather than following free trade dynamics, chose to voluntarily set up an oligopolistic (sometimes even monopolistic) market environment. Furthermore, contrary to popular belief, these mechanisms of allocation and management of the limited resources did not create inefficiency, social waste, moral hazard or the lack of market competition. Instead, the Korean government could set up a competitive market that up until today ranks up to the best-performing in the Asian region and in the world [81].

[78] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 5-7)
[79] In the first phases of development, this was made possible thanks to the imposition of heavy tariffs and domestic taxes on specific "luxury" items – sometimes even going as far as to specifically ban their domestic production as well as their import from abroad.
[80] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 7,8)
[81] (*Ivi*, p. 8)

2.3 The Socio-cultural dimension: a Confucian basis

"The features of social organization, such as trust, norms, and networks can improve the efficiency of society by facilitating coordinate actions [..] voluntary cooperation is easier in a community that has inherited a substantial stock of social capital, in the form of norms or reciprocity and networks of civic engagement [82] *"* – Putnam (1993a [83]:167)

Confucianism, one of the main political philosophical influences of East Asia, entails the basic notions of *chung* (a *harmony* between the ruler and the larger population) and *hisiao* (translatable with *filial piety*, the fundamental to reach harmony within a family dynamic and then in the state; it is the "generalizing principle"). *Relationships*, intended not in an individual but in a communal way, are crucial and similar to each other in dynamics: the leader and the masses, parents and children, friend and friend. The horizontal maintenance of relationship is crucial and attainable trough the building of *trust*. Therefore, the key points of Confucian teachings are *harmony, learning and diligence* [84]*;* [85].

Since Weber's writings, Confucianism has been viewed as a negative influence on capitalist development. However, the pervading Confucian tradition has had a strong, positive impact on the development of Northeast Asia – particularly, of the South Korean capitalist economy [86]. Among Korean society, traditional concepts like those of *filial piety* (with involves the remembrance and representation of ancestors, a religious imperative) helped shaping the country's industrialization and economic success by pushing

[82] Citation found in Lew, 2013, p. 13.
[83] It is interesting to see how the same author, Putnam (1993a) states that Italy (especially the Southern part), as well, possesses a familism-type of setting regarding its sociocultural orientation.
[84] Diligence here is meant as moderation, avoidance of extremes. Learning means the constant process of acquiring knowledge but also resilience, adaptability, dynamism, pragmatism (Education was the main mean to reach social mobilization in imperial China as well as in Japan and in Korea). Harmony also entails the acceptance of humbleness and the respect of responsibilities.
[85] (Cho & Kim, 1991, pp. 554-556)
[86] Confucianism and Taoism were the only social, political and even economical influence in Korean society until the sixth century, when Buddhism started to emerge as well (bringing about concepts like benevolence and the cycle of rebirth). Confucian values were the main values of Korea for about a thousand years, from A.D 57-668 (the Three Kingdoms period) and under the united Silla dynasty until the end of the Koryo dynasty (late fourteenth century). It finally became the dominant state ideology during the Yi dynasty (1392-1910) and has been lasting for more than five centuries since then. (Source: Cho & Kim, 1991, p. 554)

individuals to a highly specific work ethic focused on *sacrifice*, aiming at a shared, *collective benefit*. These elements from culture put pressures on Korea in three directions: developmental, successive, and collective – and the ethical imperatives still stand today and shape new situations and ways in which the society and the state react to them, like during the Covid-19 emergency. Thus, they stand as fundamentals, not only in the development of capitalism in Korea, but as a macro-social dynamic that pervades the country on many aspects. Moreover, other than this strictly cultural aspect, there is also a *social dimension* to be considered when studying Korean development: *affective networks* (family ties, school and regional networks, all the human relations and their dynamics), which historically contributed to forming the "strong society" that came to characterize Korea. I will soon delineate how these were present both in the past, during the economic development, but also in more recent history, during the democratization and further modernization of the Republic of Korea – as they are not secretive groups which lower social efficiency, but rather they integrate perfectly with civil society. This is strongly related to Confucianism as well, as its teaching tend to condemn clientelism and corruption and to encourage *trust, reciprocity, empathy, regional identities, alumni relationships* and overall, the formation of *an integrated, strong community*, characterized by a solid "*generalized reciprocity*" that profits all in time of change or need. These Confucianism-filled *affective networks* historically have also been profoundly connected with the nongovernmental and nonprofit sectors in Korea, helping us explaining how they affected its development, eventually piercing greatly into the governmental and the market sectors as well [87].

I am now going to make a few assumptions before starting to dig deeper into the fundamental concepts. First, a clarification of the main differences between Western and Confucian traditions regarding specific matters of social instruction – namely standpoints on the *individual* and *society* and thus on *human rights*, the role assigned to the states and how to solve conflicts – is needed, as the further focus will be how modern Confucianism reacted to the practices imported from the West, shaping contemporary Korean society. Regarding the first issue, the West, since the Enlightenment (1715-1789), is notably based on the ideas of liberal democracy, bringing about the superlative of the autonomy of

[87] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 18,19)

individuals and the opposition to hierarchies or authorities that constrain their fundamental rights; it follows that citizenship is the tool that the individual possesses to determine his/her destiny and to legally make such rights enforced, finding freedom. Thus, human rights are not intrinsically connected to his/her social role, they stand on top and are always valuable; a society is made up of selfish individuals who regard their own rights before those of others. On the other hand, for Confucianism the individual does not exist as a separate entity from the social role he/she is assigned to, therefore is not immediately seen as autonomous but rather as the part of a group; the ideas of duties and rights do not exist if not in his/her social relations to others and human rights are variable, according to the social context in which they are to be protected. The highest moral value is rather the Community, in which individuals cannot be selfish as they regard its collective rights and duties before their own. This often leads to their restriction as well, in order to protect the common good and enforce *reciprocity* (for example, workers might not want to enforce their protected right of taking a vacation or respecting regular working hours in order to be aware of the *nunchi* [88] of their manager, who might look down at them as caring about their personal interest rather than that of the company), and this is not traditionally regarded as something immoral or illegitimate. Therefore, if Western relationship are funded on *equality*, Confucian ones are based on *hierarchy* (social status and position) and individuals are identified by their social role before their rights. Consequently, the roles of the Liberal and the Confucian State is strikingly different: the first has the utmost duty of respecting and enforcing individual rights, hence its limitations are seen as legitimate; the second enforces "paternal intervention", where the relationship between the people and the ruler are parallel to those between child and parent – this, historically, made it easy for many East Asian societies to justify the political intervention of the center. On the one hand, Western civil society was formed though the opposition to the state, while the Confucian one is more ambiguous, not necessarily antigovernment [89]; the state is supposed to remain neutral, its first objective

[88] In Korean traditional culture, it is a concept that pertains to situations in which individuals have the duty of be conscious of the thoughts, mood or expectations of others; those who do not are generally considered as lacking a fundamental quality to live a life in society.

[89] This is sharply in contrast with the Western idea of public opinion, as the Confucian public traditionally respects the people who have superior education or intellectual faculties and expects its governments to act in their benefit because they know better, therefore they openly accept their direct intromission into the industrial sphere as well – in Korean, *chungboo chishi* ("government instructions"). Similarly, the government-business relationships work on the basis of the fact that private firms openly accept their

is not safeguarding people's freedom and equality but understanding their needs and moral wills – the borders, as I will explain better later and in next chapter with the example of South Korean modernization and democratization, are blurred. Finally, the ways to obtain conflict resolution change as well: if for Hobbes life was a "war of all against all" and so individual interests were permanently in conflict, Confucian societies see them as not that inevitable, idealizing a harmonious situation in which everyone constructs a community that is structured as a family, where social harmony reigns above everything – and if a conflict is inevitable, then compromise, negotiation and adjudication are preferred over legal action in the name of humility and respect of others [90].

Secondly, it is safe to say that the standard perspective of Western civil society regarding the Korean one focuses on the justification of its authoritarian regimes (how the state could forcefully regulate and take the resources from the society encountering little confrontation), explaining it as simply the result, as already mentioned, of the combination of a "weak society" and a "strong state". Therefore, Korean society is seen as not modern, disorganized, without consistent mechanisms for autonomy or self-organization in order to establish a capitalist type of production. However, if we consider the perspective of *social capital* – as defined by Putnam in the quotation at the beginning of this section, something that is fundamental for both political and economic development (as those institutions require the active collaboration of society) as well as for the efficient functioning of both democracy and markets –, Korean society might appear very different from this mere Western explanation [91]. Indeed, Confucianism can be seen as prone to justifying authoritarian measures in the way it portrays the dynamic of family relationships: the obligations that are to be respected regarding relatives and siblings can be extended to all kinds of social groups (thus also the schools, the workplace and finally the government). By thinking like this, we can see how each person can feel linked into the system through his/her relationship with the father of the family and the leader of the nation, and this can create great communication, management, and efficiency in Developmental States – people are more open to work for the collective and less prone

"junior" role in comparison to the "senior "role of the government, therefore they follow its guidance and advice; this was both an economic necessity and a cultural drive for them. (Source: Cho & Kim, 1991 p.559)

[90] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 81-86)

[91] (*Ivi*, pp. 13-17)

to questioning their ruler, who they also respect because he/she received higher education and experience than them [92].

Therefore, the simple explanation of the formal and institutional spheres (the economic and political sectors) is not enough to explain Korea's incredible economic growth. We have to explore the functional role that the informal sector played in Korean development: the "behind the scenes", the sociocultural background established by the historical events that the country went through, how the informal actors reacted to policies and greatly helped development. Without them, the developmental strategy created by the formal sector would have failed, and they make the Korean case unique – as, in it, a *strong state* is combined with a structured *social capital*. I will now delineate how, from this point of view, Korean society is rich in resources that are crucial for cooperation and development: it possesses a network of statal and non-statal sectors as well as official and non-official shores – mainly tough family, regional or school relations (the so-called "*affective networks*"), supported by the deeply-rooted Confucian traditions, providing the essential trust that tied together society elements and lowered the transactional costs of economic development at the same time [93].

A final note before starting with the in-depth explanation: this discourse and rhetoric do not imply seeing Asian values in developmental terms strictly like those of potential "Confucian-super bureaucrat" states; that view, as stressed by many scholars, would be highly disingenuous and would drive us out of context and into a restrictive scheme of thought. Indeed, although the Development of various Asian states like South Korea was highly context and history-dependent and the economic policies they implemented were largely based on testing the ground, nowadays this means that each country has acquired the capacity to find an independent and own solution do its own problems, with no such generalization [94].

2.3.1 The *filial piety* imperative: a work ethic of self-sacrifice

[92] The democratic thought has completely different views: communication is more difficult because there are more complex *networks* standing between the leader and the subordinates (and among them as well), as everyone participates to decision-making, but this also creates less efficiency as consensus is harder to reach. (Source: Cho & Kim, 1991, pp.562-563)
[93] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 13-17)
[94] (Karaoğuz, 2019)

Max Weber did not enlist Confucianism within religions; he stated that what pushed Western capitalism to grow was the value orientation of Protestant Christianity (the meticulous work ethic as a transcendent Absolute to reach the "Kingdom of a thousand years", salvation), therefore in Asia this process could not originate spontaneously. He thus failed to recognize the religious values (meaning something that prospects immortality after human existence and death, like the idea of Heaven) that are present in Confucianism, seeing it as a simple secular ethic, strongly attached to the material world. It stands by the principle that the real world is governed and constituted by the normative world and there is no divine plan for life after death; the fundamental principles of the Way (*Dao*), the Principle (*Li*), and the Supreme Ultimate (*Tai Ji*) are thus depersonalized and omnipresent in mortal life, in nature and in humans; the normative duty of men – in fact, only a few, very observant people, not the larger mass – is simply to achieve the state of supreme good through the realization of these principles, which are all ethical or metaphysical, not clearly religious. Nevertheless, the religious character of Confucianism resides in the concept of *filial piety* (*xiao* in Chinese, *hyo* in Korean, and *kou* in Japanese), which was the motive that drove the economic development of South Korea as its psychocultural orientation and significance, the fundamental spirit of capitalism in Korea as Protestant values were in most Western countries. In Confucianism, this practice resides within the minimal religious requirements for the majority of people (the mass, commoners), practical norms to observe in their everyday life – the Five Cardinal relationships, *Wu-Lun* [95], above which *filial piety* stands before the others [96].

Furthermore, in the Western point of view, the state, the market and civil society are naturally different entities that often enter in conflict with one another; this derives from the fact that the West developed *individualism* after the Reformation (and many civil revolutions), establishing it as the normative and ideological cultural basis of any free contract. Therefore, in the West noneconomic factors, such as personal relations and familism, play far less of a role than they do in Asia. On the contrary, in that part of the world Confucianism was established as the cultural basis, making human relations –

[95] The Five Cardinal Relationships are listed as: father and son, ruler and subject, husband and wife, elder and younger brother, friend and friend. As inherited from Traditional Chinese culture, they all entail the virtue of *filial piety*.
[96] (Choi & Wang, 2013)

networks based on *family* (blood), *locality* (region) and *alumni* (school) associations – deeply intertwined with relevant purposes and aspects of the state bureaucracy and the market, the place where most economic interactions occur [97].

The most symbolic type of network in the Confucian tradition that supported the economic development of many East Asian states, including South Korea, are *family ties* – not a unique phenomenon, indeed associated to all traditional societies, but here I treat a peculiar *Confucian type of familism*, with its own behavioral principles, not quite the same as the subjectivity of the representation of ancestors in Christian societies, but rather *collective*, with a different meaning and status, stretched past the biological and socioeconomic areas to land on the religious dimension: family is the ultimate forum where there can be the guarantee of eternal existence (what in Christianity can be seen in structures like that of the church). Tightly connected by the cardinal Confucian value of *filial piety*, they provide a perfect internal mechanism for the collaboration of the society to the government's project [98] . The Confucian *filial piety* is not just a secular norm, but the utmost religious imperative, especially when it is in the form of "affection between father and son", the most important relationship. It envisages the remembrance and representation of ancestors, including the parents, and it stands for the Confucian rational answer to the question of death, as their existence is eternal; in fact, the practices of "ancestor worship" are the means that Confucians possess to aspire to eternal existence – the ancestors keep existing as long as their descendants keep remembering them. In these terms, the unfulfillment of this fundamental duty, filial impiety, is seen as a heresy. Thereby, the importance that Confucianism gives to rituals, institutionalized ceremonies – such as the "coming of age", "marriage", "funeral" and "ancestor memorial" is vital, regardless of their high costs, as they concretize the religious imperative [99].

Consequently, in economic terms, the objective practice of *filial piety* is strictly dependent on one's economic ability; if it is lacking, the same prospect of an eternal life is threatened, shifting from "verification" to "competition" lands, from the strictly religious to the economic dimension, creating the need and desire to gather as much material tools (wealth) as possible in one's earthly life to have better prospects and respect

[97] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 15,16)
[98] (*Ivi*, p. 16)
[99] (Choi & Wang, 2013)

in the afterlife. Competitive remembrance and representation deeply incentivize individual (and, if shared like in a culture or tradition, collective) economic motives. This is why the concept was spiritually important for Koreans: because it provided them with a *self-sacrificing work ethic* and an *enthusiasm for acquiring education* (thus a higher status) that spiritually greatly helped them in achieving the highest collective need of the country at the time: becoming economically competitive. More than a simple ethical standard, this ended up being the crucial moral basis for macro-social change in South Korean development, delivering the dynamic that brought about the development of capitalism (economic growth) and also democracy in the country [100].

Historically, the emphasis on family in Korean Society started around the late *Chosŭn* era, when it emerged as an instrument to solve the scarcity of resources of individuals, as the boundaries within classes in societies started to lower and the pressure on the population to arise, to the point that a far-reaching social and economic competition started to be the common daily life of Koreans. Individual families strategically reacted by organizing and consolidating new practices, such as the right of primogeniture (the eldest son as the center and the hierarchal re-organization of the family on this basis), the creation of villages of consanguineous (to lower the cost of local decision-making), the publication of books on genealogy, the collection of works regarding or by the ancestors, the construction of memorials, shrines and so on. Subsequently, during the Japanese occupation and demolition of the Korean Confucian state, then the liberation on behalf of US forces and the devastation and division of the Korean War, these feelings and need for strategies of survival were heightened even further, enhanced by the political and economic reality of the time. In short, this is the historical origin of *familism* in South Korea, depicting how family became the reference of modern Koreans, the supreme value guiding their daily lives and also their economic motive; indeed, the development that came after, only strengthened it further. Even tough nowadays most traditional forms of representation are obsolete, it is still shown in the form of parents transferring what they acquired in life onto their children, which honor the gift they received and work to give back to their parents later in life [101].

[100] (Choi & Wang, 2013)
[101] (*Ibidem*)

Since then, practically speaking, the *filial piety* religious precept (or representation and remembrance) is implemented into a mechanism that provides Confucian societies like the Korean one with three different aspects for economic growth in the form of three different kinds of modern pressures – mainly surrounding the mobilization of personal resources ("from the bottom"), children's education, the shared sense of responsibility and labor ethics: *developmental*, *successive*, and *collective*. The first one implies that the members of a family adopt the economic intentions as a rule, thus shaping their personal lives as to achieve the maximum from their productivity and become the most efficient for the community surrounding their family. The developmental kind of representation is thus derived from the abolition of the traditional means to achieve it: it now takes place and is proven throughout the entire lives of the children, who answer to the question "Am I representing my ancestors in the best possible way? How can I improve my life to better honor their past sacrifices?". Therefore, they try to achieve a higher status, proven with their personal sacrifice, labor effort and subsequent economic success. The second kind of pressure impacts on the investment of the family's resources in human capital, specifically in education for the long term – the older members try to invest their limited resources with a special outlook to long-term gains. Their children are thus serving two functions: representing them and their ancestors while being the new "subjects" for future legitimate and successful representation afterwards, thanks to the good education provided by their parents, which empowered them. This is why, for the past century, Korean parents showed no remorse in investing great sums into their children's education, as the entrance into a prestigious university basically guarantees them a wealthy life in Korean society. The final kind of pressure sees family members "fill the gaps" of the lack of public welfare by sharing the profits of economic development among themselves when needed. This implies that, horizontally, siblings are all covered by the same responsibilities, in a collective and inseparable *network* of representation and remembrance, where units count little if nothing compared to the whole and everyone shares the same obligations – also creating a sort of competition between brothers and sisters, who have to stimulate and supervise each other at the same time, and among families in the form of mutual aid as well. The real-world examples of the dynamic I just described are many: in the 1960s and 1970s many female factory workers self-sacrificed to support their whole families (including the college studies of their brothers), low-

income families still spend a lot on the preparation for university entrance exams of their children in hopes for them to climb up the social ladder, and so on. In modern days, even if Confucianism as an institutionalized religion is no longer the priority for most Koreans, it remains internalized in their everyday life as an ethical orientation, the cultural background guiding it; in fact, even the majority of Christians in Korea still admits to practicing ancestor rites [102], and there is little clear rejection of these rites among the younger generations as well. For instance, the candidates running for presidency have the habit of visiting their ancestors' tombs before the elections. In fact, the majority of modern Koreans still migrate home from their working cities for major traditional holidays like *Chuseok* (Korean Thanksgiving) and *So'l* (the Lunar New Year Day), in order to pay their respects – a phenomenon known with the name "filial piety tourism" or "filial piety insurance"; the missed chance to do so is generally felt with a degree of feelings of guilt. [103]; [104].

The features I just delineated are at the bases of the Korean industrialization and modernization processes and permeate Korean society still today. It can clearly be seen in the way Korean businesses and corporations (the major *chaebols*: Hyundai, Samsung, LG) manage themselves: at the top of their hierarchical work scale there are the members of the family of the founders – spouses, brothers, sons and so on, thereby showing the weight of family ties in the Korean economy, considering these are the country's leading and most internationally competitive firms. But *familial governance* is even more evident if we were to analyze smaller corporations, as they are not driven to adjust to a global standard – they are often very motivated by the prospect of passing their business on to their children as inheritance [105]. Nevertheless, the mechanism applies also to other groups,

[102] A clear exemplification of this is found in the "Christian memorial service" they enact to mourn the dead, something that is not present in the original Christian biblical doctrine, and this is peculiar just of Korean Christians, as a religious adaptation of their cultural traditions. In this perspective, it is safe to say that in South Korea the Catholics orders, compared to Protestant ones, are more tolerant towards Confucian traditions, as the latter have banned most from their customs (deeming them as a form of worship of idols) while the former still allow them – e.g., bowing, sacrificing to the dead.

[103] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, p. 16)

[104] (Choi & Wang, 2013)

[105] The behavior of Korean businesses can also be depicted at authoritarian at times, as the owner has the same authority that the head of a household would have. The corporation thus becomes a sort of surrogate enlarged family, in which the executives please and respect the leader as a hero in hopes for the enterprises' economic success. This obviously can also encounter many dangers, as no subordinate dares to correct the founder-owner of the company (or the family members that take the role), there is simply little forum for constructive discussion and rational evaluation of the performance, so decisions are mostly personal and

in particular *dongchanghoi* (the alumni association of a school) – which later assume particular significance in politics, as many, especially graduates from the top, elite schools (known as "KS" or with the "SKY" acronym in Korean) end up securing themselves positions in the government thanks to the reputation and network they acquired there – and *hyangwuhoi* (the gatherings of people from the same birthplace). Furthermore, the regional ties also play a progressively crucial role in Korean politics: they build up a shared sentiment of understanding or pertaining to the same community that is fundamental; as I will delineate in the next chapter focused on recent Korean politics, they were, for example, at the basis of the 1997 election of Kim Dae Jung, signaling the first peaceful opposition to the existing government, sustaining the democratic consolidation of the country [106].

2.3.2 The institutionalization of Confucian values into "affective networks"

Apart from the strictly psychological and sociocultural aspects, the most characteristic feature of the South Korean developmental State are *affective networks* – *yuangu guanxi* in Chinese, *yŏn'go kwankye* in Korean –, an exceptional social arrangement that is centered around a combination of traditional kinds of human relations (based on *filial piety*), enforcing the constant *generalized reciprocity* – a complex web of relations between state/non state, official/non official actors and sectors (state to business, business to business) – that defines modern Korea [107]. Their role was crucial in creating the fundamentals of the "strong society" that, alongside a "strong state", has characterized the development of the country. In fact, the mechanism according to which they function encourages collaborative relationships within a community, to the point that the production of public goods can be facilitated by the same individuals, who participate actively. Furthermore, this dynamic prevents the waste of considerate amounts of social capital when short-term and private interests are pursued instead of long-term, shared

big errors might occur, especially when the head is overconfident or has little effective qualification for the job. On the other hand, in the case of brilliant leaders, personal trust and loyalty to the company is easier to achieve within the workers, thus productivity is positively affected. Nevertheless, these leaders are eager to take greater risks, which can lead to very different outputs, both negative and positive. (Source: Cho & Kim, 1991, pp.564-566)

[106] (Lew S. C., Confucian Capitalism of Park Chung Hee: Possibilities and Limits, 2013, pp. 16,17)

[107] (Chang & Kim, Affective Networks, Social Capital, and Modernity in Korea, 2013)

ones, finding both a solution to the prisoner's dilemma and enactive collective action for economic development thanks to joint trust and effective communication [108].

For these reasons, it is now time to put aside the discourse over the business groups (corporate organizations) as well as the bureaucratic area to focus on nongovernmental and nonprofit sectors and the different social classes of Korean society. To this matter, *social capital* is considered to be a particular network of human interactions that stands in between the elements of society, in particular exercising a mediating function between those which seek profit. It can be created by two kinds of networks: by *voluntary association* – meaning the specific choice of the individuals that are involved, thus they are all similar in interests, worries and/or beliefs, for example within the same citizen association – or by *affective relationships* – our main focus, where members share the same experiences of life, they happen to be in the same group thanks to their history and context without a willing choice, but they chose not to leave and share common concerns, for example in locality-based (regional) or alumni associations. Furthermore, profit or non-profit organizations can be classified according to the scope of their activity – whether it being to pursue public or private good. Therefore, it is safe to say that in Korea, these *affective network* groups are formed along the lines of regionalism, school ties and kinship, and they play a very active part in the social capital formation of the country – and, because of the high levels of trust within them, a very strong one – in a word, *generalized reciprocity* [109].

Differently from their counterparts in other East Asian countries, South Korean affective enterprises are structured according to vertical patriarchal principles. This is also connected to the fact that the cultural influences, despite the commonalities of Confucianism, vary among countries: Japan, like Korea, China, and Taiwan, presents strong elements of familism, *affective networks*, groupism and paternalism, but, differently from them, is more oriented towards the academic translation; China and Taiwan have the peculiarity of *guanxi* relations [110]. Related to these structures, different

[108] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, p. 17)
[109] (Chang & Kim, Affective Networks, Social Capital, and Modernity in Korea, 2013)
[110] In Japan, the Confucian philosophy drifted considerably from that of Korea and China in the Meji era (1868-1912), after the introduction of Western rationalism; as a consequence, the Japanese put more emphasis on *loyalty* rather than other values. Most of all, while the Koreans and the Chinese focus on benevolence (*ren*, the basis of social morality according to Confucius), faith and bravery, the Japanese put it aside in spite of loyalty (to a higher authority or the state) quite often, even placing it before filial piety.

economic spheres are created: the *chaebols* (business conglomerates) – large networks of enterprises with strong vertical hierarchical compositions – in Korea, whilst in Japan there are the already-mentioned *keiretsu* (subcontract types of relations) – big enterprises are connected horizontally while the relationship between big/small and medium sized ones is vertical –, in China the *xiangzhen* type of enterprise – different kinds of corporate organizations not owned by the state but by farmers' groups, both in urban and rural areas – and finally in Taiwan there are *jiazu* (family enterprises) – corporate organizations that are based on the relations between family members, not on contracts [111].

Regarding this, it has to be said that China first developed the Confucian traditions connected to the *affective networks* that Korea inherited. As Bell clearly shows in his works, the hierarchical rituals can indeed produce outcomes that are surprisingly egalitarian – as will become evident in next chapter regarding democratization –, and for China this pertains the modern acquisition of *soft power*. China's history was permeated by a typical tributary organization establishing an order according to which the "Middle Kingdom" was in the centers and less-powerful countries had to pay their respects to it, but they also received considerable advantages as an exchange, in the form of trade. Moreover, specifically about the family ties, the traditional Chinese system implied a treatment of workers like members of the employee's own family, hence strengthening the trust between them, satisfaction and consequently the outcome of their work. Therefore, the interactions between Chinese workers and their employs resembles in many aspects those present in Korean *affective networks*, as they are both tied together by the same Confucian principles [112].

Therefore, Korea is peculiar because its networks are, for the most part, largely founded on three elements: blood relationships, school ties and regional/locality ties. Indeed, as stated before, Koreans put much of their efforts into education, as coming from a good school (most importantly, one of the top universities) is the ultimate example of holding a good status and thus having more work potential for wealth gain. This is exactly why networks based on school relationships are the most important if a Korean is pursuing a career especially in the government (the political/economical field). It is also

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The common values in all three countries remain faith, bravery and filial piety. (Source: Cho & Kim, 1991, pp. 561,562)

[111] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, p. 54)

[112] (Bell D. , 2008)

the reason why Korea has an incredible percentage of graduates from elite schools ("KS" graduates – the top ones being *Kyung-gi* High School and Seoul National University), covering the economic and political sectors, compared to any other society in the world. This feature also contributes in creating a consistent competition among even the youngest students, as the vast majority aspires at being accepted in one of these schools; every year, a lot of activities of the country change or shape their functions during the day of the entrance exam to the university (a single day for every university in the country); students and parents are conscious it will strongly impact their future, and many practice rites and visit worship places in that occasion; the depression and suicide rate among students who fail for more years consequently is quite high. Somehow, the prospect of forming important networking ties while in the right school is more appealing that the quality of its teaching, at times. In recent years, the internet has also contributed to shaping the activities and meetings of such clubs in a more diverse and interactive way – a perfect example of how the *affective network* system, one of the main traditions of Korea, is perfectly adaptable and coherent with the modernization of times [113].

In some instances, the networks are combined with each other: such happens when school networks collide with regional ones. For example, Chun Doo Hwan (1980-1988) and Roh Tae Woo (1988-1993), both former presidents of South Korea, attended the same military academy, and they both chose classmates as their affiliates in their administrations. It is interesting to notice how there had been different acronyms to denote the origins of the main actors in government and politics over the years: first "PK" denoted "Pusan" city – hometown of President Kim Young Sam (1993-1998) – and "*Kyŏngnam*", the elite High School there; then, "TK" stood for "Taegu" city and the native elite of "*Kyung-book*" High School; then, under President Kim Dae Jung (1998-2003) the focus shifted on his *Chŏllanamdo* province and *Mokpo* High School. As I will explain better in next chapter, the transition of democracy contributed to the establishment of a bigger role of regional networks into Korean politics [114].

Therefore, given their key role, Koreans are used in spending a lot of their time and resources in the building of *affective networks*, in many different ways – from more traditional to more modern social gatherings: meetings between people of the same

[113] (Chang & Kim, Affective Networks, Social Capital, and Modernity in Korea, 2013)
[114] (*Ibidem*)

hometown (*hyangwuhoi*), reunions of family members (*chongchinhoi*), among close friends (*kye*), alumni meetings, wedding, funerals. This attitude is very unique if we put it in comparison with what is regarded as vital for a well-functioning and productive democracy, which is the voluntary involvement of people into citizen groups or "civic organizations" – something that is not lacking in South Korea, nowadays a flourishing democracy itself that, nonetheless, keeps these traditional structures well alive in society [115].

These micro, societal and cultural processes, over time, contributed into shaping what came to be South Korean development on a macroeconomic perspective. In this context, it is important to stress that *affective networks* are still as influential as they were partly because of the support given by Neo-Confucianism – a series of understandings of Confucianism, particularly regarding its teachings for government, that began to be spread during the *Song* dynasty period in China (960-1279) [116] . The most influential of them is *xing-li-xue* by Zhu Xi, imported in Korea during the *Chosŭn* dynasty, at the end of the fourteenth century [117]. In it, the most important thing was family, seen as a sociopolitical institution in which the most important values for civil society are born and cultivated: filial piety, trust, loyalty, the sense of justice (right and wrong), affection, propriety, order – in short, the Cardinal Principle of Confucianism. This gave people an identity that otherwise they would not get from their government alone. In these terms, family began to hold the same importance given to the state or the reigning dynasty, as the place where individuals, through education, started cultivating the sense of belonging

[115] (Chang & Kim, Affective Networks, Social Capital, and Modernity in Korea, 2013)

[116] It was born as a conservative philosophical reaction to Buddhism. Its fundamental principles were the respect of the "heavenly order" and the "oneness" that linked the universe to the human beings (their nature are the same). (Source: Cho & Kim, 1991, pp. 556,557).

[117] The importation started under the late Koryo-early Yi dynasty (fourteenth century) and took many centuries to be fully implemented in Korea. Here it was taken up as a way to fight the rich and powerful (landlords) and corruption at the same time, pushing for reforms and later becoming an orthodox school that defended property, class structure and rituals. During that time, indeed, the Korean paid their respects to the Chinese emperor as the Son of Heaven and recognize China as the center of the world. During the seventeenth and eighteenth century this was modified as Korean scholars met Catholic missionaries and their sciences. Subsequently, some founded the *"practical" school* or Political Economy school, which shifted the attention back on practical elements of Confucianism, adding them to the newly acquired Western science. The school was further expanded with a new branch, the Utilitarian Economy School, which focused on fierce national defense and resistance, commerce, industry, science. Nowadays' Neo-Confucian philosophy in Korea, after the suppression under the Japanese occupation of the country, possesses several features brough about by the practical school: agrarian reform, equal wealth distribution, social harmony and the promotion of trade, technology, science and industry. (Source: Cho & Kim, 1991 pp. 556-558).

and loyalty that would then be fundamental in their public life and their service to the state. Therefore, the affective networks that are formed in the context of family ties are the true fundamentals for providing individuals with the necessary moral discipline that is needed in their life outside of their homes. This is how, in Confucianism, home and family are seen as public (where self-interest is not comprehended and self-cultivation leads), not private goods, hence their great significance and the harmony (lack of conflict) between the two spheres and the nonexistence of clear dichotomies (which are, on the other hand, typical of Western tradition of political discourse). Moreover, historically, this strong prevalence of "public" over "private" often lead the Korean society to persecute people from high spheres who did not comply to their duties or fulfill their tasks correctly – among them, politicians (even presidents), bureaucrats, businessmen, officials, and people from the army. As it will be better explained in the next chapter regarding democratization, this same Confucian values regarding everything that is public also drove resistance and opposition movements to authoritarian rule, eventually yearning for democracy. As for now, it is sufficient to say that it was the leading force behind the many economic reforms that guided the Economic Development of the country. This, of course, left space also to downsides such as corruption or manipulation on behalf of certain elements of society, which go against the same Confucian values that made them excel [118].

The historical development of affective networks in modern Korean civil society [119]

Contrary to mainstream beliefs, NGOs and civil society did not start existing in Korea just after the 1987 democratization. There is indeed a specific tradition to which we can trace back these concepts: the existence, during the *Chosŏn* dynasty, of the *Sarim*, intellectual groups of literati that are not in the state offices, whose main task was controlling and eventually blocking (by directly sending a memorial to the King) the abuse of power on behalf of the state, aiming at safeguarding the people – therefore, they

[118] (Chang & Kim, Affective Networks, Social Capital, and Modernity in Korea, 2013)
[119] (Chang, Historical Development of Afefctive Networks in Korea: The Nongovernmental Sector and Confucian Tradition, 2013)

functioned exactly like a Western civil society [120]. They were selected through meritocratic bases, via their educational ties (after following a private Confucian academy) and had to pass a state examination. They also had the power to influence policies on a local level thanks to the village pact (*hyang'yak*) they hold with such communities, thus they were the traditional kind of affective network, based on Confucian values. Their formal existence was external to the government, but they actually informally operated as its mediators, in full Korean developmental style, with no clear separation between *affective networks* and their boundaries vis a vis the state. Their function of sending direct memorials to the King stopped existing when the country transformed into a Republic and modernized, but they did not cease to exist: they changed, organizing into social conglomerates that fulfilled the new needs of society, becoming political parties, the *chaebol*, mass media, and keeping their great influential value in the sociopolitical sphere. In these terms, the democratization that happened starting from 1987 was a crucial changing point: democratic ideals sopped being sacrificed for the sake of economic growth; Western values (such as various freedoms, individual autonomy, free and fair elections, the rule of law and political pluralism) started being favored and protected; and with this, people's cultural orientations and awareness began to slowly adapt. But, regardless, these networks remained central in everyone's life. Many even state that the frustration behind the clientelism provided by these ties was at the basis of the 1997 economic crisis, proving that they are still very much alive and working [121].

They now work through the nongovernmental sphere pertaining regionalism and education and assumed all the characteristics I previously delineated, which lead them to have an indirect role in the market and state areas as well. Today, the main functions of *affective networks* are many: they supply the welfare services that are not provided by the state and the market; they safeguard the interests of their members by affecting

[120] In fact, Confucianist values justify the existence of an intellectual resistance movement. It is common in the history of China, Japan and Korea that governments received little public opposition as their positive role was taken for granted, however intellectuals played big parts in policymaking, providing the needed trust to both the public and the rulers, playing themselves an accepted leadership role. This also falls into the pattern of public acceptance of hierarchy, uniformity and harmony which many scholars claimed to be at the basis of these societies' inclination toward autocratic rulers, had it not been for the mitigating role of intellectual opposition against injustices and abuses of power. (Source: Cho & Kim, 1991, pp.559,560).

[121] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 84-89)

policymaking and enforcement; they provide a sense of community and belonging to individuals who might feel secluded and protect those who have been negatively affected by the forces and powers of the state and the market – thus generally, they safeguard the modernization and developmental processes. Thus, being more generally organized and inclusive (they typically do not follow any hierarchical order, favoring voluntary relationships based on reciprocity rather than command), they can satisfy more demands at the same time. In addition, they possess an important dual characteristic that is not present in nongovernmental sectors in the West: their members can be affiliated with them and with institutions concurrently – through, for example, their jobs; in this way, bureaucrats from the government and business CEOs can be part of affective networks as well, and this explains their great influence in the state and market spheres [122].

Some scholars have contrasting views regarding *affective networks*: they think that they are a sign of "mob mentality" and underdeveloped politics (as the only means to obtain trust), a calculated strategy of authoritarian governments (as a way to control masses and orient their votes) or just a way through which people tried to compensate their feelings of dislocation and alienation after war and rapid industrialization; in short, an inheritance from the past, a sign of premodern societies useful just in transactional periods, that is in contrast with modernization and thus should be overcome and eliminated as soon as possible. However, they continued playing an important part in the building of modern Korean society and its daily occurrences. Traditionalism in Korea was not necessarily weakened by the modernization of times, despite what many predicted. This shows how *affective networks* are not inevitably a negative, intrinsic characteristic of Korean (or, broadly, East Asian) societies. On the contrary, their influence has proven to still be growing, especially when countries face emergencies such as the recent Covid-19 pandemics. And even in the case it will slowly decrease, society will continue to develop on the structural basis that they provided. They can be very efficient in monitoring the behavior of certain actors, they noticeably reduce transactional costs, they contribute to building trust and so on. Furthermore, they often solve controversies better than civic organizations or interest groups within Korea – say, western-type labor unions, in cases of conflicts of interests, and their exclusivity (very

[122] (Chang, Historical Development of Afefctive Networks in Korea: The Nongovernmental Sector and Confucian Tradition, 2013)

helpful in the short run), rather than institutional mistrust, actually builds up a great allocation of resources in the long run, as it is based on voluntary agreement rather than impersonal contracts. It is important to stress, that, anyhow, a person can be part of many *affective networks*, one does not exclude the other, and the set of interpersonal connections that they build can be very efficient in certain interactions. The boundaries between groups are very much elastic, far more than the ones that are present among classic groups of modern societies like, for example, the belonging to a specific political party – the same individual cannot fit in more than one simultaneously. All in all, no matter the number of ties and their exclusivity, every citizen ultimately belongs to the biggest collective *affective network* among all, the Korean people [123].

2.4 The socio-political dimension: state-society relations

Finally, the political dimension of Korean development evolves around the thematic of "state-society" relations. The industrialization conducted by states in East Asia, arising from a historical framework that was completely distinct from that of their Western counterparts, can be embodied by the term "Confucian capitalism". Those countries had no need to set up the same Civil society and free markets that were fundamental parts of Western Capitalism. They instead opted for a "state-business collusion", with state bureaucrats making policies with the aid of businesses in the private sector, according to the strategy of the state, on the basis of the already-mentioned traditional Confucian *affective networks*. All of this was (and continues to be) strictly supervised by the modern version of what were the traditional Confucian *lierati*, the media and intellectuals, in a sort of "check and balances" dynamic aimed at minimizing the potential setbacks of the collusion. Furthermore, the strong state had the merit of succeeding in the mobilization of Korean society – which, adding to the traditional Developmental State theory that saw the importance of an embedded, autonomous state, could also actively adapt to its imperatives, avoiding the "predatory state" trap. In these terms, it is easy to see how the already-discussed *generalized reciprocity* between a strong state and a weak society came to be displayed under Park Cung Hee's rule, when it was a key factor to avoid free-riding and favored the voluntary participation to the state's plan

[123] (Chang & Kim, Affective Networks, Social Capital, and Modernity in Korea, 2013)

on behalf of individuals. I will delineate the particular and specific structure of such setting in next chapter, as a prelude to the democratization that happened after it had been established and started the economic development process [124].

Some premises should be done before digging deeper into the concepts of this final section: only a Developing State with high levels of self-sufficiency and governmental capability can effectively intervene in the market with its support and manage the different elements within; it must possess the ability to positively impose its economic policies on society – especially to induce capitalists to collaborate with its strategy. In the particular case of South Korea, the state possessed enough autonomy to efficiently arrange the management, productivity and growth of the big firms which carried the economy. To navigate the origins of the Korean state, therefore, we will look into two dimensions of state power – with which we indicate the capacity of the state to implement decision-making and enforce its policies coherently as well as to discipline governmental agencies and private firms: the internal (intra-state agencies and their unity) and external (the disciplinary power that the state can exert over the dominant extra-state agencies, particularly on the capitalists) components of bureaucracy. The first aspect can be guaranteed by a solid, established philosophy of following rules and hierarchical distribution of power among state policy agencies; an example of this in the Korean case would be the presence of technocrats within the bureaucratic corps and the creation, under the Park Chung Hee administration, of the Economic Planning Board (EPB) in 1962 (a new governmental organization that was put in charge of the whole economic development process, also enabling the state leaders to supervise the performances of agencies and the implementation of their policies). This avoided the dispersion of decision-making among too many agencies and provided the needed centralization and unitedness. The second element in Korea was surely safeguarded by the Illicit Wealth Accumulation Charges, a mechanism that institutionalized the state's discipline of the economy (it confiscated the capital that had been illegally accumulated and prosecuted its perpetrators; there were arrests mostly between Businessmen (*chaebol* leaders) who had previously been favored by the Rhee Syngman administration (1948-1960), who were later set free in exchange of their commitment to devolve their enterprise to the country's

[124] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 20,21)

service. Consequently, vast shares of private banks became nationalized and the state created banks to discipline these firms and capitalists. Therefore, the Korean government under Park Chung Hee monopolized the financial resources and institutionalize a mechanism to make them its main tool to discipline businesses and the newly created sound bureaucratic agencies, thus effectively enforcing its policies on capitalists and manufacturing the quick growth that was eventually reached [125].

Now, once I explained the institutional political setting, I will pass on to the delineation of its sociocultural elements, in line with the theorical implant and theme of my dissertation. This is crucial in order to answer to one question that the simple explanation of the political institutions did not delineate: why did state bureaucrats avoid making their own private interests in all of this process, given that they had been given so many powers? Why didn't they, for example, practice rent seeking like others in some countries did at the time? How could South Korea avoid becoming a "predatory" state with such degrees of autonomy in its developmental process? As anticipated, the answers to these questions are to seek into a domestic factor, its disciplinary ethos (a combination of austerity, self-control and voluntary personal restraint) and into an external feature, its strong society with diverse networks stocks of social capital – all falling into the philosophy of "support with discipline" typical of the Korean developmental state [126].

2.4.1 *Confucian Capitalism*

To conclude and sum up what has been explained in this chapter, it is safe to say that the country of South Korea, among others of the East Asian region – Japan, Singapore, Taiwan, Hong Kong, China, Vietnam, the East Asian "Tigers"– is a perfect example of how Confucianist values can be integrated with capitalism. More specifically, contrary to mid-century popular belief – Japan was quoted to be the only successful Confucian Capitalist economy and there was large skepticism regarding the complementarity of hierarchical elements with a free market –, the experiences of these countries both brought to light the validity of "Asian values" and showed how state bureaucrats could organize and manage a capitalist economy in a specific way, in which

[125] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013 pp. 8-12)
[126] (*Ivi*, p. 11)

the decisions on behalf of the state regarding economic policies replaced those made by businesses, and the state's strategic plans and needs could obtain mobilization on behalf of the private sectors, on the basis of pure traditional Confucian affective networks. Thanks to this, the Asian traditional Confucian values (the centrality of the *literati* and the importance of affective networks and ties, merging the State with the market structures in a harmonious co-existence) that led to economic development in the area could function as a sort of counterpart to the European Protestant values (diligence, frugality, self-interest, the centrality of the bourgeoise class and the separation of the market from the State), which had led to European modernization. In South Korea, as it was hinted before, this started with the presidency of Park Chung Hee, which will be explained in the chapter immediately following this one [127].

Therefore, Weber's perspective, cited at the beginning of this chapter, regarding the impossibility of developing capitalism in China (and other Confucian countries) has been proved to be wrong – and, with it, the so called "modernization theories" which claimed that non-Western countries would achieve it only by following and copying the rational Western scheme, becoming, indeed, "modern". These countries did not do so; instead, they adapted their pre-existing norms and societies in a way that welcomed capitalism and created its own Asian version of it, without abandoning the so-called "premodern" traditional values they hold before. Instead, these same precepts were the reason they developed fast and swiftly as they did. Therefore, Neo-Confucian China and eighteen-century Korea, with their philosophy of "practical learning", could create their own functional counterparts of Protestant ethics [128].

There is a fundamental difference between the two processes that is merely given by the fact that values vary according to the social structure in which they are placed: while Protestant values in the West performed a "progressive" task (they confronted the status quo), Confucian ethics in the East assumed more of a "conservative" aspect (they were already the established philosophy). In this sense, East Asia reacted to Western imperialism in different ways: a group of countries – China, Vietnam, North Korea – first adopted socialism around the pre-existing structure of the *literati* and established planning economies that would preserve order while integrating society with the market,

[127] (Lew S. C., Confucian Capitalism of Park Chung Hee: Possibilities and Limits, 2013)
[128] (*Ibidem*)

eventually mutating into market economies given the necessities of globalization, while others directly embraced capitalism and its principles – but kept the centrality of the state intervention in the market, regardless. By doing so, they created a new idea for the "Developmental State", where the government is perfectly able to rule the market in capitalist terms while integrating society into it. Therefore, in post-colonial order, the newly-established state bureaucrats ended up covering the role that was once assigned to *literati* bureaucrats – keeping the same Confucian structure beneath the new states. Consequently, East Asian historical developments brought about the reception of capitalism through the role of state bureaucrats doing the decision-making, an implementation of the new market philosophy from the top to the bottom (*top-down*). On the other hand, the Protestant West had the complete opposite process, with the bourgeoise having to break down the pre-existing order (feudalism) and build a civil society before embracing capitalism. In the Confucian East, civil society was born through the voluntary association (*affective networks*) that already existed, and developed alongside capitalism – playing a lesser role, at least at the beginning, compared to state bureaucrats and the private sector; they served as a mobilizing factor. Hence, capitalism was not the involuntary outcome of the fight against the dominant class; it was a conscious choice, by the same ruling group. This order of things made it possible to achieve economic objectives more quickly and precisely and also rendered the best-performing firms and entrepreneurs very competing and wealthy (they thus deserved large state aids, becoming the *chaebol*) – those who did not produce enough were automatically eliminated from the game. Henceforth, *trust*, an imperative of any stable economy, was not reached through the autonomy of the market or less state intervention like in the West, but it was quite the opposite: that same intervention granted the reduction of transaction costs (with rent-granting, market entry barriers, tax breaks, financial supports and so on) for specific competitive businesses. United with *affective networks*, this brought about the effectiveness of the so-called "State-business collusion", which supplied all the required confidence [129].

On a final note, it is necessary to say that this exposed those businesses to potential serious negative consequences for their errors, be it corruption or misconduct of the

[129] (Lew S. C., Confucian Capitalism of Park Chung Hee: Possibilities and Limits, 2013)

leading members; as the history of Korean democracy and business shows [130], many high political officials, even presidents, underwent considerable public humiliation and shame following economic scandals involving major *chaebols*, with some having family members being jailed, other forced to resign or even committing suicide. Nevertheless, despite the high levels of corruption that it encountered, the conjunction of Confucianism with the birth of Capitalism helped the state to avoid social waste and economic bankruptcy, making it impossible to compare East Asia and the West in their processes to reach free market. In countries like Korea, the ruling group voluntary decided to embrace capitalism and encountered almost no resistance from the bottom, thus they had a considerate degree of legitimization and stability. In fact, the public agreed on the application of these principles, as long as they produced successful outcomes; at least in the beginning, few were sincerely concerned about state collusion with the business sector; public opinion openly contested just the cases of extreme monopolization and corruption, not the structure itself. Over time, Koreans started even feeling proud of the firms who made it, they considered them as worthy of state aid. Therefore, the economy did not collapse and proceeded to obtain a quick, steady growth up until now. This was necessarily because the South Korean state, starting from the Park Chung Hee administration (1962-1979) did not grant favors to enterprises equally nor randomly; its main aim was applying export-oriented industrialization policies, hence it applied strict criteria: the specific *chaebols* had to be able to succeed in international competition [131]; those which did not, were automatically cut out from its favors. In international competition, national enterprises could not count on their affective ties, therefore their performance was objectively evaluated there. What the state did was enacting periodic screenings of *chaebol*s in order to measure their performance and allocate its grants; if they did not comply with the required minimum, they were excluded (thus they could not

[130] This happened to the point that it seems as if no South Korean administration can be saved: former presidents Chun Doo Hwan and Rho Tae Woo were jailed under the accuse of collecting slush funds from specific *chaebols*; the son of former president Kim Young Sam had to face the National Assembly for corruption and was arrested as well as the two sons of former president Kim Dae Jung, for the same motives; former president Rho Moo Hyun committed suicide after resigning in 2008, while his family was being investigated for alleged bribery; finally, former president Park Geun Hye has been impeached and jailed in 2017 after large protests following the scandal of her involvement in the secret financing of two non-profit organizations under her name through the corruption of *chaebols* (abuse of power), including the nation-leading Samsung Electronics.

[131] This is particularly evident if we consider that the State's financial support depended on letters of credit that were mostly provided by foreign banks.

survive for much longer on their own [132]). In the span of twenty years, from late 1950s to mid-1970s, only two firms, Samsung, and Lucky-Goldstar, could succeed in keeping their status as members of the top ten *chaebol* classification in the country. From this extremely volatile pattern, we might finally deduce that *chaebols*, altogether, possess a terrific degree of economic power, which keeps sustaining the continuous growth of South Korean GDP and economic competitiveness still in modern days; it is also their individual competition for state recognition that creates the strive to reach more goals, higher successes. All of which is interconnected with and, most importantly, legitimized by the *affective networks* they hold with civil society as a backup of their activities. Therefore, as shown in this chapter, the key to understand the phenomenon of economic development in South Korea can be safely assessed as "Support with discipline". This is the reason why it is not reasonable to claim that counties like South Korea should finally give in to a fully Western version of capitalism, eliminating these pre-existing structures: it would be like underplaying and devaluate fifty years of a Confucian capitalism that has been assessed as one of the most lively, active, dynamic, and fruitful forms of capitalism in the world. And with this, it would be like considering the millennial traditions of the region (mainly the legitimate order produced by Confucian literati for over five-hundred years since the *Chosŭn* dynasty, their meritocracy and check and balances roles on the state nowadays pertaining intellectuals, the press, journalists and universities) as, somehow, less valid and even inferior to Western protestant capitalism. The capitalist class in Korea will never have the same "cultural hegemony" that it holds in the West; the mediators, the "watchdogs" over the state cannot be labor unions or workers, they are rather journalists and intellectuals; the full separation between market and state will not likely happen in the next future there – the historical and cultural background is too different for this to be implemented. But still, these countries will keep on growing and developing in their own way, as they have already showed to the world. And, considering that the whole population of Confucian capitalist countries overs one-fourth of the total population of the world and that their current economic growth rate is higher than the

[132] As a matter of fact, Korean firms did not survive very well early in the economic development of the country; the classification of the top then *chaebols* has veered very much since then, stabilizing just recently, with still great volatility from time to time.

world standard, it would not be irrational to think that, in the future, this might become the dominant model [133].

[133] (Lew S. C., Confucian Capitalism of Park Chung Hee: Possibilities and Limits, 2013)

III. The South Korean Democratization Process

This chapter is introduced for the specific thesis relevance of highlighting the complexity of the alternation between authoritarian and democratic elements in the recent South Korean political history; specifically, I will emphasize the structural and historical reasons within the democratization process that contributed to the success of the model that was brought about to face COVID-19.

As I accentuated in the chapters before, in South Korea, like in many other East Asian Countries, successful Development has occurred with a determinant degree of State intervention. Additionally, both its institutional, cultural, and socio-political bases helped the shaping of the right setting to obtain a high-speed growth. But this does not mean that the democratization that occurred afterwards did not contribute to its success likewise. The Developmental State, as I will show with this chapter, is rather compatible with pluralist forms of democracy as well, such as that established in South Korea starting from the end of the 1980s [134]. In the Korean case of development, the most crucial aspect was the combination of a *strong state and strong society*: the state succeeded in forming a society so that it would actively contribute to its project of reaching a speedy development – by moving its resources and contribute with its social capital [135]. In these terms, the contribution and sacrifice on behalf of the people was crucial: the high rate of domestic savings was decisive in the model of growth of South Korea, (also thanks to the macroeconomic stability created by the governments who set the development process), as well as the high private spending on behalf of Koreans on everything that surrounded the education of their children. This advantaged the country, which now is praised for its optimal student performance worldwide, as well as being provided with a combination of high-skilled and productive workers, benefitting the whole national output and reputation abroad – and often being the "example to follow" in technological know-how from neighboring developing countries [136]. In the case of South Korea as well as other East Asian countries, contrary to mainstream belief, the new democratic institutions or the implementation of market capitalism did not undermine the functionality of the traditional

[134] (Öniş, 1991)
[135] (Lew S. C., 2013, p.17)
[136] (Heo & Roehring, South Korea Since 1980, 2010, pp. 84-87)

affective networks. As explained before, they continued to permeate not only the private sector of civil society, but also the bureaucratic and economic ones [137]. Indeed, as I will clarify in this chapter, regional ties played an increasingly important role in the transition to democracy of Korean politics, often enabling peaceful changes [138]. This further reinforces the role of social capital and *affective networks* as the pillars of South Korean economic development and also democratization – in a world, of its modern political developments, as positive elements for its realization [139].

Having said this, now the bigger question will shift to how the original authoritarian regime of the country could subsequently transform and obtain legitimacy as a democratic state. Notoriously, the leaders-dictators of most Developmental States initially manipulate the masses with propaganda, they modify the balance of power and they are not often held responsible if failures occur [140]. This is why democratization arises new challenges for such states (the agenda might become ineffective, there can be the abandonment of previously valid developmental policies and social unrest). Nevertheless, a Developmental State is not necessarily an authoritarian regime; both forms of government can be compatible with development, according to the historical context. For instance, when starting its development Japan was a democracy (albeit with questionable qualities), whilst South Korea and Taiwan were dictatorships, but their regimes were legitimized. Nonetheless, what equates all the developmental experiences is the fact that, once countries had improved social welfare, the standards of living started to grow. Consequently, the priorities of citizens progressively shifted: they started questioning their role, aspiring to more participation and the inclusion of new democratic values.

[137] (Lew S. C., 2013, pp.14-15)

[138] For instance, the opposition in the 1997 presidential election that led to the administration of Kim Dae Jung. As stressed before, Korea has a "narrow, center-oriented society" in which individuals who aspire to reach the center do so through their human channels". This is the reason why many presidents have a history of becoming first presidents of bodies in their high schools or universities, they see this as a first step to enter, one day, into mainstream politics. Similarly, many leaders of organizations of civil society (civic groups, NGOs) end up in political parties later in life. This also explain the Korean tendency to change the in-charge persons rather than the institutions or the procedures in order to solve issues, as "human relations are everything" and building a new appropriate, competent network of people is more important than trying to modify or supply to their bad behavior. Consequently, political parties in South Korea tend to last for short periods of time and to be completely dependent on their leader, the center of their big a*ffective network*. This is exemplified by the actions of Kim Dae Jung: even if he was the champion of Western-style democracy, he still founded and dissolved many political parties during his political life, around twelve. (Source: Lew S. C., 2013, pp. 65-66)

[139] (Lew S. C., 2013, p.17)

[140] (Woo-Cumings, The Developmental State, 1999, p.53)

Therefore, most 21st century Developmental States had to implement their version of democracy at a certain point in their political history under rising societal pressures [141].

Before the 1987 start of the democratization process in South Korea, there had been a tendency to sacrifice political democracy in order to reach economic growth; individual freedoms were repressed to favor the collective good. Therefore, the *June 1987 uprisings* represents a truly historic moment for Developmental States, as a country with its own, very different historical and cultural contexts succeeded in implementing Western-style democracy – with its new values of political pluralism, diversity, autonomous individuality, the respect of the rule of law, free and fair elections and peaceful transitions of power – without necessarily having to eliminate its traditional settings – specifically the importance of regional, educational and family ties (*affective networks*). This suggests that Western Universalism is not everything that there is to explain such democratization: the model has to necessarily comprehend the already-discussed unique cultural and institutional features of the South Korean state and society [142]. This way, South Korea's *affective networks* and practices are not impediments to democracy or "politically incorrect" features if we assume a particular definition of democracy – meaning not something that involves any moral norm or indication, nor simply a form of government that involves a specific procedure for the selection of the leaders of a country, but rather as something that involves certain degrees of citizen involvement, participation and also bureaucratization of the state. Only with this conceptualization we can equalize Western democratic philosophy with the Confucian political ideology, as they both legitimize some sort of inequality and different degrees of public participation in order to steadily sustain themselves. They both imply that participation legitimizes rulers just once they are qualified to hold their political offices. Therefore, if we do not consider the historical contexts and tradition of *affective networks* of Korea such as other East Asian countries, we will always be biased in studying its democratization process (seeing them as obstacles to modernization), or at last lacking the necessary understanding of fundamental incentives to its institutionalization and formalization [143].

[141] (Karaoğuz, 2019)
[142] (Lew S. C., 2013, p. 88)
[143] (*Ibidem*)

Therefore, South Korea was always influenced by traditions, culture, and the structure of *affective networks* to navigate towards a centralized social arrangement. During its history, it has been under the rule of Confucian dynasties for over five-hundred years, then colonized by Japan, then shaped by American military governments. Therefore, it did not develop a strong preference for decentralization. Indeed, after its liberation (1945), first it has been led by a centralized bureaucratic authority and a dictatorship (Rhee Syngman, 1948-1960), then in 1961 saw a coup d'état after which economic progress was started (Park Chung Hee, 1961-1979), then big liberalizing policy changes under the Chun Doo Hwan administration (1980-1987), finally it launched democratization after the revolts of *June 29,1987* and the election of President Roh Tae Woo. During these processes, one thing remained constant: the degree of intervention in society on behalf of state bureaucrats and vice versa had always been more significant in Korea than in the majority of other countries [144]. The country passed from being one of the poorest and weakest in the world in the 1950s, totally dependent on a foreign economy, to establishing a development strategy ruled by the authoritarian government in the 1960s – which greatly improved infrastructure and international competitiveness – , to becoming fully industrialized and strong in its exports during the 1980s, to overcoming a big financial crisis at the end of the 1990s, finally to, nowadays, having the tenth highest nominal Gross Domestic Product in the world (as estimated for 2020), ranking high. Therefore, in less than fifty years, it succeeded in coming out from desolation and war and becoming a *global economic powerhouse*. I am now going to retrace a time-span of forty years of just the political history of the country; during this time, there was the alternation of autocratic governments, the initiation and evolution of the economic development (started with the first economic development plan in 1962), two oil shocks (one in 1973 from the Arab oil embargo during the Arab-Israeli conflict and one in 1979 consequently to the Iranian revolution), a presidential assassination, great volatility in inflation rates and multiple attempts at reshaping the economy, great social unrest and student protests (in the late 1980s), a transition and further consolidation of democracy, the rise of labor organizations and strikes and, finally a big financial crisis in 1997, when the International Monetary Fund (IMF) imposed a $56 billion bailout to South

[144] (Lew S. C., 2013, pp.112)

Korea [145]. I will delineate how the already-mentioned feature of the South Korean developmental state interplayed in such modern political history: the economic success was greatly favored by direct governmental intervention. This, however, always has the downside of creating corruption – highlighted by public anger once the living standards rose and democratic values started to be a priority for Korean citizens. Hence, political liberalization – with new instances of legalization of labor unions, more freedoms (specifically speech and press), free and fair, direct popular elections of presidents, the recognition of local autonomies and so on – served as a major modernizing force for the country, also in terms of international reputation and competitiveness. It also brought its downsides on the overall stability as well, creating emergencies that, however, the country could face in its own, unique way [146].

1. Before the 1980s: Dictatorship

3.1.1 1st Republic: Rhee Syngman (1948-1960)

Rhee Syngman (Korean name, Yi Sung Man) officially became the first president of the Republic of Korea (ROK) as a result of its first election as a divided country from the North, on August 15th, 1948. He had spent many years in the United States when the country was still under Japanese occupation, as a Harvard and Princeton University scholar, trying to push his influence on US officials towards Korean independence [147]. Up until that moment, Korea had had no opportunity to develop democratic practices, since it had been ruled by a strong, centralized bureaucracy for centuries. Therefore, Rhee's task was building its democracy starting from zero, establishing all the needed structures: the state, the bureaucratic apparatus, the political institutions. However, he did not have enough personal experience in public administration and management – at least, it was not enough to enact such a project. Despite the hopeful premises given by his American background and influence, Korea still had a strong and already-established political culture, other than extreme dislocation and poverty after two consecutive wars

[145] (Heo & Roehring, South Korea Since 1980, 2010, pp. 78-80)
[146] (Heo & Roehring, South Korea Since 1980, 2010, p.103)
[147] In 1919 he had even been elected head of the Korean Provisional Government (KPG) in exile, stabled in China.

(one of which happened during Rhee's regime, who also refused to sign the armistice with North Korea, China and the US on July 27th,1953, claiming that the war would end just when there would be total reunification under his control), a very-challenging and new divided reality [148] and high security concerns[149], that would make it impossible to realize a full democracy for many decades still. Moreover, Rhee's personality did not marry well with the democratic purposes: he ruled as an autocrat, with a high centralization of power in his hands, dismissing his opponents (especially the pro-communist groups) and making frequent modifications to the Cabinet at his own advantage. The country had many urgent needs but few resources and almost no public service to face them, and the Rhee administration was ruthless in extinguishing any further destabilizing force and input and used the aid sent by the US (economic funds and military enforcements) for its own personal interests. Rhee also forced the lawmakers to pass an amendment that would modify the constitution in order to win his second elections – having his powers increased and intimidating his opponents in the National Assembly, he was directly elected as president by the population in 1956 and in 1960. However, the society and the press started to retreat their support to the Rhee administration; in twelve years, there had been no formal nationwide economic policy and high levels of corruption. Massive protests vented all over the country, asking for his resignation; Rhee enabled martial law and then sent military forces, but this was not successful because many bodies mutinied from their duties. Finally, on April 26,1960, Rhee quit. The democratic dream that was born after the Liberation had not been realized [150].

Since Rhee accumulated so much power within the executive branch, the government had to be modified into a parliamentary one, to bring some of it back to the National Assembly. Many new authorities were now taking participation into the political life. There was a brief transition year (1960-61) before Park Chung Hee took power, in

[148] The division assigned the productive farmland to the South, but the mineral resources and the strong industrial infrastructure that the Japanese had constructed stayed in the North.
[149] During the first years, the North succeeded in infiltrating agents in the South to settle an opposition to the Americans and South Koreans, but there was considerable resistance also on behalf of the population, mainly villagers organized in guerrillas. One of the most notable rebellions was the siege of the island of Cheju, in 1948, after which the National Assembly prompted the National Security Law (NSL), which aimed at "suppressing anti-State acts that endanger national security", arming the police with endless powers to enforce it.
[150] (Heo & Roehring, South Korea Since 1980, 2010, pp.12-20).

which Chang Myon became prime minister (the Democratic Party, which was in opposition to Rhee, won the elections). The period was dominated by chaos and the student demonstrations kept going. Unfortunately, at the time Korea was still not pluralist enough to implement democratic views with a crippling economic situation and the democratic party had a lot of fragmentation within and struggled to accommodate different opinions; therefore, the Chang Myon Government resulted disorganized and ineffective. The most noticeable thing that came out from this transitional period was the growing dissatisfaction of the military: they requested strong leadership and claimed that civilian presidents could not sustain such a situation. There had been many plans of coups even during Rhee's regime, and the most explosive one took place on May 16,1961, when the Chang Myon administration was forced to resign by the siege of the government on behalf of a group of officers led by Major-General Park Chung Hee, pointing at the restauration of political integrity after years of corruption. In their eyes, an extremist action leading to a military revolution was a crucial step to solve the situation in order to create, in the future, a true democracy. Another autocratic government was deemed as a "necessary evil" to solve the big crisis of the moment – notwithstanding it also led, eventually, to totalitarianism and dictatorship as well [151].

3.1.2 From 2nd to 4th Republic: The Park Chung Hee era (1961-1979)

Initially, after the coup, the government constituted a military junta, the Supreme Council for National Reconciliation; the first acts were the dissolution of the National Assembly, the declaration of the martial law and press-censorship and the arrest of opponents, both in the government and the military (particularly, the highest-ranking officials, many of which were corrupted). As a solid anti-communist, Park persecuted all those who were thought to be leftists. Later, a new agency was created with the sole aim of controlling and enforcing all these measures, the KCIA. In 1963 the US, which had a strong world in South Korea given its dependency to it in terms of military and economic aid, pushed Park to resign and run as a civilian in the next presidential elections. In order to higher his hopes to be reelected, Park scheduled a date that would make the organization of the opposition problematic. He won with his new party, the Democratic

[151] (Heo & Roehring, South Korea Since 1980, 2010, pp. 12-21)

Republican Party, and was reconfirmed also in 1967, which by constitution would have been his last term; however, he pursued an *ad hoc* amendment to allow the same president to run for more than two terms. Therefore, in 1971 he was re-elected for the third (and last) time, winning Kim Dae Jung (a new influential dissent leader and future president, alongside Kim Young Sam) with a close cut. This marked a change in the regime: if the first ten years were progressively more tolerant, in 1972 the administration suddenly shifted, becoming more strictly authoritarian; Park seemed to be unsatisfied with the nature of democracy and how little control it would leave him over opposition and the economy. He might have also been apprehensive for the 1969 Nixon Doctrine (Washington's "Asia Policy") and the further retreat of the 7th Infantry Division from Korea. Once again, martial law was declared, but this time political parties were banned, the National Assembly was dissolved, and all colleges and universities were closed. In November, a national referendum legitimized the ratification of the new amendments he pushed for, creating the new Constitution, *Yushin* ("revitalizing"), which gave many powers back to the executive, as it was under Rhee's regime. Moreover, it basically made Park a potential president for his whole life because he would be now elected by the National Conference for Unification directly, whose members were manipulated by the regime. This was the start of the 4th Republic and it lasted until Park's assassination in 1979. Despite the support he received from the *chaebols* and the North Korean fear factor he pushed for (the North Koreans attempted to assassinate him twice, once ending up with his wife being killed instead, and infiltrations were a constant danger), during the last years of his presidency protests rose considerably. What definitely set his downfall was the YH Incident: the women textile workers of this company protested with a sit in and the police that was sent by the government ended up beating many of them. Major outbreaks followed in universities all over the country; while discussing with his advisors about how to react, there was strong disagreement, and the president was killed by the head of the KCIA, Kim Jae Kyu, on the spot [152].

On the economy sphere level, the Park regime stands as the forth runner and starter of South Korean growth, as it built the foundation of its incredible development and modernization. In 1961 he had launched his coup on the same reason of economic growth and political stability as a legitimizer, alongside the goal of being autonomous from the

[152] (Heo & Roehring, South Korea Since 1980, 2010, pp. 22-27)

United States. In his project, the modernization of the economy would help the Republic of Korea in many sectors: security concerns from the north, democratic pressures and leverage on its decision-making from the US and also its own internal development. The GDP in 1962 amounted to 2.3 billion dollars and in 1980 it reached 64 billion dollars, increasing more than 2,500 per cent. Therefore, economically the policies of the Park regime (1961-1979) were successful, inserting South Korean into the "Asian Tigers" [153]. During this time, South Korea exhibited a "high speed" growth for the first time, working in a close, embedded relationship with the *chaebols*. The main macroeconomic problems of that historical context were: an economy significantly weakened by the recent war, political instability, and the previous insufficient performance on behalf the government in the realm of economic policies, which made the new government eager to push for an acceleration of development and economic growth in order to acquire legitimacy. The country was also lacking resources, the population was large and very poor. The major policies enacted in that period – which, in perfect Developmental Theory fashion, required a strong interplay between government, business and public sectors – focus mainly on the establishment of a new exchange rate (and relative *ad hoc* policies) and the promotion of export-oriented sectors – the so-called EOI approach; the national slogan was "suchul ipguk" (nation building through import-exports) – and infrastructure-building. They main policies included stabilization measures, the 1964-65 Exchange Rate, Interest Rate and Domestic Saving Reform, Export-Promotion Measures and import-Liberalization Programs, the 1966 Tax Administration Reform, Tax Law Reforms and Government Saving Program, the 1969 Positive Grain-Price Policy (and subsequent agricultural development), the 1971 *Saemaeul Undong* (the New Community or New Village) Movement, a very structured campaign created to modernize the economy by improving the quality of rural life through projects that villagers undertook with the help of the government [154], the 1972 President's Emergency Decree for Economic Stability, the 1973-79 Heavy and Chemical Industries Promotion Plan, the measures enacted to reduce the concentration of the Economic Power in the industrial sector, the 1974 policy response to the Oil Crisis (the Presidential Emergency Decree), the 1975 measures to promote General Trading Companies and contemporary measures for the Construction

[153] (Heo & Roehring, South Korea Since 1980, 2010, pp. 24-27, 81-85)
[154] The government established three very crucial social values working there: diligence, self help and corporation. (Source: Lew S. C., 2013)

Service Exports to the Middle East, the 1977 introduction of the Value-Added Tax and the Population Redistribution Plan and Urbanization Problems the same year, the 1979 Comprehensive Stabilization Program, the Population Policy, the Health Insurance Scheme. Contextual historical events happening in the world at that time – such as world-trade expansion and a labor force that was not used wholly, significantly contributed to the establishment of the needed acceleration. Therefore, these policies covered vast areas, such as price control and monetary policies, taxation, healthcare, agriculture, industry, and overall providing a strong policy basis for a high-speed growth [155]. Additionally, in order to monitor the system of allocation of credit and preferential taxes (based, as mentioned previously, on the individual performance on exports of the major businesses) but also to support international marketing, the Park regime in 1962 had created KOTRA, the Korean Trade Promotion Corporation. Given the scarcity of capital and technology, initially the focus was on labor-intensive light industrial goods (toys, textile, shoes), a sector in which South Korea quickly gained a strong international comparative advantage. But in 1961 the government had also established the Korean Institute for Science and Technology (KIST), in order to develop and modernize its technology in parallel, at the same time. The government also aimed at buying the main banks and to do so, it purchased their main stocks (this was done with the scope of keeping a favorable value for the national currency, the won, to eventually favor exports [156]) and it also moved the private capital (which was accumulated thanks to private savings) into the banks through the raise of the interest rates of saving accounts (so that people were induced to shift their savings into banks [157]). With the control of the interest rates, the country could depreciate the won; this, over time, had the side effect of greatly increasing inflation, which needed to be controlled through the prohibition of increases in real wages and excessive productivity growth, or through tight fiscal and monetary policies (already mentioned). At the end of the period, this EOI policy had four many effects: South Korea finally became self-sufficient in light industrial goods and no longer had the need to import them; the industrial structure got severely modified, from being based on primary industry (agriculture, fishing, mining) to focusing also on the secondary arena (manufacturing and

[155] (Kuznets, 1992)
[156] The price of exported items (which determines the competitiveness in the international market) is directly affected by the exchange rates; therefore, the value of the won had to be maintained low.
[157] Banks give loans to business firms, so the more capital they have, the more business expansion and domestic investment there can be.

construction); after the HCI policy (Heavy Chemical Industrialization act), labor-intensive light industrial goods were eventually abandoned in favor of the export of capital-intensive ones. This all further reinforced the already-existing ties between businesses and the government, the private and the public sector. These measures were set up to eventually lead to economic competition internationally and gradual liberalization. Overall, those ten years of pure authoritarian government which made quick policy changes created an investment-friendly environment through the maintenance of macroeconomic stability, which initiated a vicious cycle that allowed the economy to continuously grow [158].

It is to be said that this economic success did not come without a high cost that society had to pay. The majority of South Koreans endured long working hours with low wages and many hardships. However, for the cultural reasons stated in the chapter before this, they were willing to sacrifice themselves in hopes to obtain a happier and wealthier future for their children; many were also proud and gratified from the progresses that the nation was achieving. Regarding labor rights, the government allowed just those unions that were specifically sponsored by the state, outlawing all the independent ones, and kept suppressing civil and human rights and freedoms. Direct arrests of suspicious communists or opponents went on for the whole period, as well as the use of torture and repression. Towards the end of the regime, when the working conditions got harsher and discontent was growing, Park enacted particular provisions, like the Emergency Measure No.9, which outlawed the critique to the law or to the president himself. The main enforcement agency was the already-mentioned KCIA, which was at the disposal of a complex network of special agents, working often undercover within society and also abroad. In August 1973 they abducted the future president of the country (1998-2003) who also received the Nobel Peace Prize, Kim Dae Jung, Park's historical democratic opponent, and sentenced him to death – he was saved just thanks to Washington's direct intervention in the matter [159].

Another important issue is to be mentioned regarding those years: for the first time, Korean development went against the classical notion of "*strong state and weak society*", but rather it depicted a dynamic of strong interrelation between "*strong state*

[158] (Heo & Roehring, South Korea Since 1980, 2010, pp. 81-85)
[159] (*Ivi*, pp. 24-27)

and strong society", a mutual embeddedness that is comprehended in Confucian traditions, making up the already-mentioned, central concept of *generalized reciprocity* between the two. Additionally, for the first time in Korean history the holders of state powers were members of the rural-middle class who were strongly supported by military forces, with the general aim to sort of imposing discipline on a corrupt capitalist class – and an ethic of *self-discipline* on bureaucracy as well ("support with discipline"); this went on for about ten more years before the democratic transition could occur. But new classes were emerging which as well were set to become determining in the immediate future: the working class and the urban capitalists. Cohesiveness among the ruling class was maintained by the strong statist belief that the wealth and prosperity of the country would be protracted to families and individuals as well. Low levels of inequality were therefore used to keep balance between the different new elements that made up social integration: the rural and urban worlds, in the context of quick modernization and industrialization. This all, of course, was obtained also thanks to the incredible contribution on behalf of the social capital – compliance and sacrifice by the civil society was a fundamental part of this top-down developmental strategy, obtained through the extensively-navigated *affective networks*, with *filial piety* being the moral drive to reach economic growth [160].

There are four negative myths about the Park regime and Korea between the 1960s and the 1970s. First, the fact that it was anti-liberal, anti-democratic and anti-free market. Second, the fact that its main feature was pervasive government-led industrial policies which intervened directly in the marked, modifying it. Third, the fact that the economic power was monopolized in large business corporations, the *chaebol* and thus they directly influenced policymaking – making the Korean case one that cannot be fully copied by other economies. Finally, the fact that development was unbalanced (regional, corporate and sectoral). But the reality of facts often turned out to dismantle some of these myths. Regarding the first one, the authoritarian regime, despite not being the most recommended for other developing countries, ended up not being harmful for the economic development of the country; the further political history, with its democratization, worked to fully demolish it, but it still set the start of economic

[160] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, pp. 11-12, 119-140)

development in an efficient way. Regarding the second and third features, despite the claims of inefficiency, the scheme worked for Korean society, and, nevertheless, during the 1980s the country shifted to a policy regime which functionally supported industrial policies rather than sustaining certain corporations. The anti-*chaebol* consensus that came out of this prompted the adoption of severe regulatory policies to avoid corruption and a structured support system in hopes to balance the sector for smaller firms as well. Finally, despite the claims of unbalanced development, facts showed that South Korea had the best experience in terms of growth of the last thirty years – even the World Bank admitted it in the 1993 *report*. Moreover, despite moral judgements, the Chemical Industry (HCI) promotion policy helped Korea's sector not to fail, shaping and leading the economy up until today; the building up of large corporations, in the case of Korea, might have been a necessary step to take for its development, despite the mainstream tendency to consider them "evil monsters [161]".

Therefore, despite the many problematics encountered, there can be still positive elements to be found in the model, which make it replicable elsewhere outside South Korea. These are principally centered around the economic discrimination principle (ED) introduced within the institutions of the state, alongside a strong leadership able to guide policymaking under harsh initial conditions. A western-style democracy cannot be successfully implemented in a country that is still too immature in its structure and functioning to welcome it; in this sense, the authoritarian features of Park's regime can be seen as caused by the unique national security situation in which Korea was in at his time, during the Cold War; moreover, his beliefs comprehended the fact that true democracy could be attained just after the country had achieved its priority goal, becoming economically wealthy and autonomous. Indeed, at the time, opposition leaders did not make any clear support statement nor openly opposed to his policies during his rule; in fact, political dissent blossomed right after [162].

With Park's death, there came the end to eighteen years of dictator-style military rule which brought the country out of poverty and dislocation. After long years of authoritarian governments, a large part of South Korean citizens was ready to look forward to democratization. However, his legacy was brought back years later by his

[161] (Jwa, 2017, chapter 2)
[162] (*Ivi*, chapter 8)

daughter, Park Geun Hye, leader of the conservative Grand National Party (GNP), who became president in 2013 but was later impeached after an already-mentioned big political scandal involving corruption accusations. The assassination of Park Chung Hee sparked much controversy between government officials regarding who committed it; some asserted that it had been Kim Jae Hyun on his own, other that there was a conspiracy involving the KCIA or the military beneath it; some also were apprehensive regarding the possibility that North Korea (which had already attempted two other murderers before) would try to take advantage of the confusion of the situation. Prime minister Choe Kyu Hah was named interim president by an emergency cabinet, following the rules established by the *Yushin* Constitution. Immediately he declared martial law and put General Cheung Sung Hwa as the commander in charge of it. He also released many opponents that were previously arrested by abrogating the Emergency Measure No.9. However, he decided not to revise the *Yushin* Constitution but to keep it as it was. His election to the presidency in 1979 did not last for a long time. South Korea was going to start its transition to democracy by undertaking one more final round of military rule [163].

3.2 Transition to Democracy

The South Korean social system, as extensively discussed before, has always been deeply entrenched in Confucianist traditions, which greatly contributed to establishing a hierarchical political and social structure. Over the years, this made it easier for Koreans to accept and legitimize higher authorities and obedience to rulers. At the same time, it is one of the most basic reasons why military rule could survive for more than twenty-five years in the country after Liberation and World War II. By 1979, the Park Chung Hee regime, using a Japanese-style fascist rhetoric, had re-conservatized the nation in order to keep control and stability and increase productivity; hyper/ethnic nationalism and racial purity had been promoted under the prevalence of the idea of the "we"s over the "I"s; society had reached new levels of homogeneity, ordinary Koreans would need a special permission to travel abroad (passports began to be issued just in 1987) and they had been heavily controlled and censored by the KCIA and police/military forces; mass rallies had

[163] (Heo & Roehring, South Korea Since 1980, 2010, pp. 26-27)

been hold on a regular basis to induce the ordinary people to sacrifice for the nation; Western culture and values had been deemed as unhealthy to the benefit of the homeland. Therefore, when South Korea started approaching to the transition to democracy, it possessed little democratic heritage or the needed institutions in the background. This is the reason why the transition to democracy was one of the most difficult political journeys the country had ever had to face; finally, starting from 1987, it happened, but not without great sacrifice and human loss [164].

The mindset of the people, with the rising standards of living, was slowly changing. Koreans had been subjected first to colonial rule, then overcame two wars, and were now facing significant political turmoil. The economic infrastructure of the country has also been greatly modified: from being destroyed after the Korean War (1950-1953) it had recently been rehabilitated and restarted, reaching an unprecedented pace of growth. Thus, rapid social change had occurred in a relatively short period of time: geographic and social mobility, especially from the countryside to the two major cities (Seoul and Pusan) had increased exponentially; Koreans who had been forced to reside abroad for many years were now starting to come back to their renewed homeland; there had been a great level of urbanization and the emergence of a new Middle Class in the cities, after long years of hardships; the levels of poverty were slowly decreasing and those of standard education increasing; new, successful businesses and occupations had been born. Overall, Koreans, by 1979, had changed their general attitudes to everyday life compared to a decade before, as well as their self-perceptions thanks to the new prosperity and opportunities they were reaching. This is how student radicalism (which always covered a political role in the country since the upheaval of the Rhee Syngman regime and in the late 1960s against the normalization of the relations with Japan), came to be stronger – becoming, by 1987, anti-establishment, anti-capitalist and anti-American. In a situation that was so dynamic, the new and old generations were facing completely different historical occurrences and had contrasting life experiences. In South Korea (such as in China), authoritarian regimes and traditions of collective work had greatly motivated people to overcome poverty and reach development; but as they grew wealthier, they started to aspire to have more individual freedoms. The labor movement was gaining more powers alongside the student demonstrations. A new egalitarian ideology started to

[164] (Heo & Roehring, South Korea Since 1980, 2010, p. 5)

be shared among the masses, and the last authoritarian regime that I am now going to briefly delineate could not adapt to such big generational changes, involuntary favoring further conflict and social radicalization for democracy [165].

Economically speaking, if, during the Park era, from the 1960s to the end of the 1970s, the principle of Economic Discrimination (ED) and government-led (and differentiated according to market performances) economics ruled policymaking and the economic behavior, by the late 1980s this paradigm had progressively disappeared, leaving space for political populism and a tendency towards economic stagnation. Democratic governments started promoting egalitarianism everywhere, particularly in the economic, industrial, and corporate sectors – whose policies were modified. Economic democratization and the rising social democracy came alongside the sacrifice of economic dynamism and ED. After the rise in inflation at the end of the 1970s, from the 1980s South Korea adopted diverse policies for market liberalization; initially this was a mere reaction to the precedent trend but eventually, at the end of the 1990s, it became a true tool to speed up the democratization of the country, as well as its globalization. Therefore, over the last thirty to forty years, we witnessed the shift from a "government-led discrimination" to a "government-led egalitarianism" [166].

3.2.1 5th Republic: Chun Doo Hwan (1980-1988)

After Park's assassination, South Korea was facing a period of incredible political and economic uncertainty which perhaps demanded for a strong leader. President Choe Kyu Hah had established a new civilian government but was facing harsh problems and rising doubts on behalf of the Military spheres in particular. Chun Doo Hwan was the Major General that had been assigned to lead the murder investigation of Park Chung Hee – he had been named head of the Defense Security Command (DSC), the biggest military intelligence agency of the country, treating military coups. He seized this opportunity as an excuse to plot his coup against the government, by using the same DSC. On December 12, 1979 – a date also known as the "12-12 incident" – the army mutinied and arrested Cheung Sung Hwa, the Army Chief of Staff and martial law commander, under false

[165] (Jwa, 2017, pp. 587-600)
[166] (*Ivi*, pp. 63-68)

charges [167]; they also arrested and executed Kim Jae Gyu, Park's killer and KCIA director and took control of the Ministry of National Defense and Army Headquarters. All media outlets were shut down. Therefore, at that time Chun was effectively in control of the whole military and guiding a the "civilian" government in the background; President Choe functioned as a nominal head, he had lost all the control over the military. Among the units that took part to these operations there was one that was commanded by future president, Major General Roh Tae-woo, who was an old classmate in the Military Academy and close friend of Chun. In fact, this coup had a large part of *affective networks* to sustain it: almost all the participants were members of the same classes (eleventh, twelfth and thirteenth) back in the years of their Korean Military Academy. Afterwards, Chun removed all the personnel that was loyal to general Cheung and in April 1980 Choe was persuaded to promote him lieutenant general and director appointee of the KCIA; despite being illegal, he did not resign from the military in order to cover these new positions. This was a clear sign that he had intentions to take control of the whole government, definitely overthrowing Choe out. It was a sudden reversion of the directions that many thought South Korea was about to undertake – in fact, in the precedent months Choe had openly supported democracy and released many dissidents, such as Kim Dae Jung, causing many to think the "Seoul Spring", a big opposition movement, was about to take foot [168].

The Kwangju massacre

This was the trigger of one of the most violent pages of the history of authoritarian governments in the Republic of Korea. In May, massive protests started to break out in Seoul, mainly involving students, professors, and workers. Choe declared complete martial law, thus Chun entered into action as commander, and shut all the universities as well as the National Assembly and the control centers of the majority of the political parties. Many student and opposition leaders were arrested – among them, Kim Dae Jung,

[167] One leading motive for this move could have been that General Cheung was going to reassign many generals, including Chun, to other positions; thus, he risked being exiled and having his military career ended. Cheung was arrested, convicted, forced to step down his grade and jailed; later, in 1997, his conviction was reversed by national courts.
[168] (Heo & Roehring, South Korea Since 1980, 2010, pp. 28-30)

Kim Young Sam, and Kim Jong Pil – and labor strikes as well as all political activity were declared illegal. With these harsh measures, protests were repressed everywhere but in one city in the South Cholla province, Kwangju (the center of Kim Dae Jung's political activity and of the strongest opposition to the Park regime, which had punished the area by not allowing any economic investment there). Here, on May 18,1980, the *Kwangju massacre* took place: Chun's troops (special forces with little expertise in management of revolts) killed many civilians and protesters. This sparked great outrage all over the nation for the indiscriminate use of force on behalf of the military, and many joined the civilian counterattack. It was a civil war-like situation, protesters took police stations and used the weapons they found there, so the troops eventually had to withdraw. The US tried to push for peaceful negotiations but failed; Chun could not bear this snub to his authority. On the 27th of May, elite troops were sent and took back the control of the city with ruthless force, shooting, in a full-scale assault to civilians. Some sources state that in total around two-hundred civilians and twenty-three soldiers died, others claim that the total amounted to thousands. In August, Chun promoted himself as four-star general and Choe Kyu Hah officially resigned from his presidency. So, on the 27th, following the procedures established by the *Yushin* constitution, Chun was elected to the post by the National Conference for Unification (over which he had already considerate control), and finally to the presidency on September 1st. He later changed the election process, substituting the nation-wide popular vote with a specific electoral college process at his advantage, and adding a term limit of seven years for the presidency. In 1981 he was elected a second time with the new Democratic Justice Party and under a new, revised constitution, beginning this seven-year term he was allegedly going to stick to [169]. Subsequently, President Roh Tae Woo described these events and protests ad "prodemocracy demonstrations", preceding the trigger that finally established democracy later, in the *June 1987 uprising*. Nevertheless, this tragedy, often compared to the Tiananmen Square events in China, signaled the clear illegitimacy of the Chun government, and still today is a source of great pain and resentment for most Koreans – also sparking an anti-American sentiment among those who thing that the US could have

[169] (Heo & Roehring, South Korea Since 1980, 2010, pp. 30-35)

intervened to prevent such massacre [170]; it also exacerbated the regional tensions between the provinces of Cholla and Kyongsang.

Now, I am going to briefly recount the economic processes and policies that were established under Chun's Fifth Republic, before going back to the treatment of the transition to democracy in the country. At the beginning of the 1980s, after two international oil shocks (the last provoked a global recession following the Iranian Revolution and the coup of Ayatollah Khomeini, which made the global price of petroleum rise steeply and the South Korean inflation with it, while the demand for its export decreased), the South Korean economy was facing a harsh downfall; the country's debt had reached new heights and supplementary loans were very much needed, but banks were hesitant to provide them [171]. Chun, being inexpert in the economic field, employed skilled technocrats to deal with it. The administration took up aggressive economic policies in order to stabilize the situation: in 1984 it froze its expenditures, raised interest rates, and lowered the credit that was available; by doing so, the inflation was put under control again. Government salaries and the price of rice were also frozen. In 1985, the budget deficit was lowered by 39 per cent, in the circumstances of very tight fiscal policies. Chun also tried to change the whole composition of the economy by addressing the dependency of the government to the business sector: with the Policies for Restraining Economic Centralization (1980) the government had to fully approve *chaebols* before they could start new businesses now. Competition was encouraged and the government's intervention reduced with the Monopoly Regulation and Fair-Trade Act (1981) – an attempt to both limit the expansion of the *chaebols* and change the credit allocation policy on behalf of the government to favor more medium and small-sized businesses (SMEs). The system of incentives and "punishments" for larger firms on the base of their performances was still maintained intact. By 1988, many companies (around seventy) had been somewhat re-organized. The mechanisms of preferential tax policies and credit

[170] Washington has clarified that it worried about a possible jeopardizing of the security interests and the alliance with the ROK if it directly intervened, causing possible radical, anti-American infiltrations in the country such as it was happening in Iran during those years. But in fact, the US openly prioritized the re-imposition of law and order in South Korea before promoting political liberalization there. Chun interpreted this behavior as Washington's approval of his conduct. Moreover, the 20th ROK division was used in the assault without notifying the ROK-US command organization under the Combined Forces Command (CFC) first, violating the protocol established between the two allies. (Source: Heo & Roehring, South Korea Since 1980, 2010)

[171] (Heo & Roehring, South Korea Since 1980, 2010, p. 28)

allocation to enterprises that were export-oriented were abolished and the government thus shifted its attitude of promoting economic growth, from direct involvement into the economy to improvement of its infrastructure and overall business environment. In this way, the Chun authoritarian government forcefully re-established the economic performance of South Korea after the oil shocks and inflation crisis and also put the basis for a liberalization of the economy, with less direct involvement on behalf of the government [172]. The development phase had now ended, and the South Korean economy was ready to take over as a competitor internationally as a free market while adopting its first democratic tools – as the just-mentioned egalitarian corporate policies [173].

Therefore, starting from the late 1980s, South Korea finally embraced its transition to democracy, which had a considerable effect on both its political development and its economy. If under the Chun rule there had been a large "purification campaign" (*Jeonghwa*) to sort of re-establish order in society by "fixing" the less-collaborationist parts (dissidents, officials that were corrupted, unlawful civilians, journalists, and media outlets), now things were changing. By the end of the 1980s, control and strict authoritarian measures had been softened. Organized labor could now flourish; labor unions became legalized and this rendered the management of the conflicts more difficult; thus, labor costs grew considerably, strikes happened more frequently, wages gradually increased and international competitiveness decreased. Simultaneously, financial markets were opened, thus international capital inflows started to peak inside the country. This will be all discussed soon, after the delineation of two important events that were the final triggers for the jumpstart of the true democratization process [174].

The 1987 June Uprisings

In the spring of 1986, after the authoritarian leader of the Philippines, Ferdinand Marcos, had been taken down by popular protest, South Korea began demonstrating again. The following year, in April, Chun unexpectedly publicly revoked his intentions of revising the constitution (negotiations with a Special Committee had recently begun),

[172] (Heo & Roehring, South Korea Since 1980, 2010, pp. 87-89)
[173] (Jwa, 2017, pp. 68-70)
[174] (Heo & Roehring, South Korea Since 1980, 2010, p. 80)

stating that the national priority in that moment would have been the hosting of the *1988 Olympic Games in Seoul* (seen as a fundamental event to showcase South Korea's recent economic growth and success to the world) and that the important task of changing the electoral system would have to be completed by a new administration, not his. He also proclaimed his friend General Roh Tae Woo as the next nominee of his party, the Democratic Justice Party. Thus, people started fearing another military government and riots increased. In particular, the uprisings were filled by members of a new movement, the *minjung* (common people), who had a mixed ideology made up of elements of nationalism, anti-economic dependency, Marxism, the peace movement, and the Catholic liberation theology; it was the leading force that was pushing for democratization by the end of the 1980s. Protesters, in complete Confucian tradition, were members of the intellectual sphere: university students and professors. However, the historically subjugated common people also stood up and started joining them in the streets. They all fought against the intromission of foreign powers into Korean domestic matters, the favoritism of the big *chaebols* and the military dictators that had ruled the country up until that moment [175].

On June 29th, 1987, the real turn point of South Korean Democratization, the trigger that determined the passage from authoritarianism to democracy occurred: Roh Tae Woo, who had recently become a presidential candidate, in an eight-point plan publicly declared to be willing to embrace many instances brought about by the opposition groups – in particular, the definite creation of a new, amended Constitution, a direct electoral arrangement and a peaceful change of government in 1988. The demonstrations regarding Chun's political legitimacy were amounting, at that point. Chun had no choice but agreeing to the demands coming from society and he approved the drafting of a new Constitution (which reduced the presidential term to five years, establishes direct election for the president and a system of "small election district" for that of the members of the National Assembly). He also promised a reconciliation with the true national interests, the end of social uncertainty, free and fair elections, the discharge of less-violent political dissidents who had been jailed, freedom of speech (especially for the media), more independence for universities and protection for political parties, the amnesty for Kim Dae Jung, important social reforms against corruption and

[175] (Heo & Roehring, South Korea Since 1980, 2010, pp. 36,37)

for the protection of basic human rights. After this, Chun could not help but reversing his statement and let the negotiations over the constitutional amendments proceed; society was taken by surprise, as they had expected a renewal of the martial law and more violence. There can be many explanations for this change of mind: first, the importance to portray the newly, developed South Korea as a stable country to international media during the occasion of the *1988 Olympic Games in Seoul*; second, the pressures on behalf of the United States (President Reagan sent a personal letter to Chun himself) to undertake a more moderate political atmosphere (especially after the coups and the *Kwangju massacre*); third, the fact that the demonstrations did not consist of students alone anymore like it had been in the past, but they comprehended members from any societal class, particularly the newly-formed middle class, in a "grand alliance" pushing for democracy; lastly, compromise with the opposition rather than repression seemed to be the only viable way for both Chun and Roh to hope for a victory in the upcoming elections – many scholars indeed think that the two old friends collaborated to this project, this peaceful shift of power from one to the other, together. The only possible obstacles in the opposition would have been the two main dissidents of those years, the recently released (under the US's pressure) Kim Dae Jung and Kim Young Sam; however, they would have most certainly achieved electoral success just if they unified their different views and strong personalities. This, with the two being rivals, was unlikely to happen; they would, nonetheless, both become presidents in the future, in different terms [176].

The month of June 1987 for South Korea has passed to history under the name of the "June Democratic struggle". The many protests that occurred between the 10th – the day in which Chun Doo Hwan named Roh Tae Woo his successor as a president candidate – and the 29th – the day that the latter announced his eight-point plan –, had also been triggered by a particular violent event that had occurred months before, sparking fears over the renewed violence and determination to put an end to military government on behalf of the population: the *Seoul National University incident*. The president of the student council at such university, Park Jong Chul, an activist for the democracy movement, had been arrested after his involvement in the *Kwangju Massacre* and heavily tortured by the Chun military without confessing to anything, and eventually, in January 1987, he had mysteriously died. Subsequently, during the June protests, another student

[176] (Heo & Roehring, South Korea Since 1980, 2010, pp. 37-40), (Cho & Kim, 1991, pp. 615,616)

named Lee Han Yeol, this time from Yonsei University, got severely injured and eventually died, becoming a martyr and a national hero to incite the protestors. Therefore, after all of this public outrage, Chun Doo Hwan was induced to leave office once and for all. He was, after all, the first South Korean leader to do so somewhat voluntarily: in 1960 Rhee Syngman was pushed out of it by a student riot, in 1961 Chang Myon by a military coup, in 1979 Park Chung Hee by assassination and in 1980 Choe Kyu Hah because of high political instability and the threats of the military. Therefore, Chun was the first leader in the political history of the ROK to have served his full term and resign according to the Constitution [177].

The new Constitution was finally approved by popular vote and passed in October 1987. Among the already-mentioned amendments, it featured the important explicit ban to armed forces members to participate into politics. In November, a terror attack on behalf of North Korea that killed all the passengers of a Korean Air flight pushed the public into unity to support the new government that was about to form. In December Roh Tae Woo won the elections with a thin margin against the two rival Kims (37 per cent, with almost 90 per cent of turnout) – they had first formed the Unified Democratic Party but later formed rival factions within it and they could not agree on who was the true leader of the opposition. Eventually, Kim Dae Jun formed a separate party, the Peace and Democracy Party, leaving the shared one. In February 1988, Roh Tae Woo was sworn in as president of the 6th Republic of Korea. The country was finalizing its transition to democracy and ready to start consolidating it by developing the needed political institutions and tools to get civil society used to the changed norms. In fact, many scholars state that, given Roh's close ties with the military, the true consolidated South Korean democracy started in 1992, with the election of Kim Young Sam. South Koreans also held a considerable degree of resentment against the newly elected president, for he had been a part of the army and a close friend to the last dictator of the country; therefore, he had to undertake a road that would allow him to ask for redemption on behalf of society [178].

[177] (Cho & Kim, 1991, p. 616)
[178] (Heo & Roehring, South Korea Since 1980, 2010, pp. 40-45)

3.2.2 6th Republic: Roh Tae Woo (1988-1993)

Roh Tae Woo's election, such as that of many democratic presidents after him, is a renewed example of the crucial importance of *affective networks* in South Korean society, especially school and regional ties, now present also in democratization. He had been Chun's classmate in the military academy and, as stated in the chapters before, during those year Korean politics and economy had been populated by the "TK" group – people from Taegu and Kyung-book High School. The group later changed into "PK" (Pusan and Kyŏngnam High School) under the Kim Young Sam administration, the "Chŏllanamdo" and Mokpo High School under President Kim Dae Jung. As a matter of fact, regional networks have been playing a progressively leading part in Korean politics since the transition to democracy. In 1997, historical dissident Kim Dae Jung could win elections partly because the votes he received from Honam, his region of origin; similarly, Kim Jong Pil was greatly supported by the Choongchung region; regional sentiments were also determining factors in the 2002 election of Roh Moo Hyun. Therefore, albeit being also used as one of the main tools to stabilize power on behalf of authoritarian governments in the past, regionalism can be safely assessed as a major influence pushing for democratization in South Korea, especially in its consolidation [179].

The first thing that marked the definite intention to break out of the authoritarian logic of government-led discrimination was the inclusion, within the new 1987 constitution, of the principle of "economic democratization" (Article 119). Therefore, as soon as Roh took office, he took up the task to speed up the processes of both liberalization in economic terms and democratization politically speaking. This implied an intensive work on the labor policy of the country (bolstering of labor unions, wage raises, better working conditions [180]). However, there was a parallel strengthening of the corporate arena as well. Roh Tae Woo's policies, for the motives stated beforehand, had to be necessarily populist, sometimes going too far in regard to what the actual economic situation of that time could have allowed: they brought about high financial costs, harsh

[179] (Lew S. C., 2013, pp. 56,57)

[180] The number of workers participating in labor unions in 1980 was 948,000, while in 1987 it rose to 1,267,000 in 1987. In 1985 the number of lost workdays because of strikes amounted to 64,000, while in 1990 it rose to 4,487,000. Regarding the annual wage increase, by 1985 it rose to 5.5 percent; afterwards, between 1987 and 1989 wages went up by 45 percent. (Source: Heo & Roehring, South Korea Since 1980, 2010)

regulations in the administrative fields and low investment in the social capital; with time, this led to the progressive erosion of the entrepreneur sentiment and competitiveness of many national firms. In fact, by the late 1980s the Korean exports weakened because of all of these factors, which led to the raise of interest rates and appreciation of the won. Therefore, a different element came to be the determinant of the international competitiveness of the country: technology. At the same time, the public was progressively intolerant towards the influence of the *chaebols*, demanding for stronger regulations on those big firms. Consequently, Roh had to take up the strengthening of the SMEs that was started the decades before and began putting more definite limits to the activities of the big business conglomerates. This would be a fashion that many presidents after him kept on following (Kim Young Sam, Kim Dae Jung). Nowadays the expansion of the *chaebols* is still significantly controlled by the Korea Fair Trade Commission (KFTC), which was founded in 1981. Generally, ever since, the economy has been paying the cost of the democratic governments' control over the limits of investments of the historical big firms of the country, which had started development in the 1960s. Nevertheless, this was necessary to be done in the name of the economic democratization and government-led egalitarianism that took place starting from 1988, bringing about new values: labor instead of capital, SMEs instead of large companies, the equalization of the economic powers and their holders within the system. This also caused many firms to look abroad, rising their direct investment in countries with more favorable production costs or more profitable tax system like Southeast Asia, China, or the US [181]. The outcomes of the "downsides" brought about by the democratization process were however positive: the ROK could now enjoy a more equal distribution of public wealth, more freedoms (speech, press) and political participation, a rise in the price that the government paid for rice (benefitting farmers) thanks to the Farmers' Loan Program (with which the Roh administration invested $6 billion over the course of ten years). Many instances of policymaking were also driven by politic advantage since many opposition politicians embraced certain populist measures for their own interest and gain. The public, thanks to the renewed freedoms of the press, also started being increasingly dissatisfied with the gaps in wealth between the rich and the poor. The Roh administration did not precisely target this issue in its policies, causing considerate disappointment and mockery

[181] (Jwa, 2017, pp. 71,72)

– for a while, the president was deemed "Mool (water) Tae-woo" and its administration the "no" government (anarchy), signaling increasing anger towards its incompetence. In fact, by the end of his term, inflation rates had risen to 19 percent and the value of the real estate market was no longer under control (32 percent). Most importantly, the trade surplus reached a dangerous deficit on $10 billion in 1991. By 1992, fears of a big crisis were starting to spread between South Koreans. In perfect Confucian fashion, with an eye to the community's benefit and safety, they stopped the strikes for a while, improving the labor-management relations, albeit momentarily. This was not a lasting resolution by the government, but rather an interim fix on behalf of a conscious society [182].

An event that certainly contributed to the success of the Roh years was certainly the Olympic games, which showcased "the miracle of the Han River" to the world; it created nationalist sentiments and support for the administration, which had implied resources in re-organizing the infrastructure, constructing buildings, cleaning the streets, extending the subway system, clearing the waters of the Han River and so on in sight of the historical event. Furthermore, in 1990, there was an unexpected move on behalf of the president alongside Kim Young Sam Kim Jong Pil: *the three-party merger*, meaning that their respective parties – the Democratic Justice Party, the Reunification Democratic Party and the New Democratic Republican Party – joined each other in a new coalition, the Democratic Liberal Party (DLP). This move would be determinant for the next elections, as now both Roh (who had been elected as a minority president) and the two major dissidents could form a compact majority altogether inside the National Assembly [183]. Nevertheless, they all had very different stances and aims. To overcome such obstacles, thus, there was the need of the now well-known Korean flexibility and sacrifice [184].

Before finally leaving its presidency, Roh had to still make another important move – which would also turn out to be the final step to make to exit the transitional phase and enter the consolidating one for South Korean democracy: he had to address and solve the popular controversies regarding his past in the Army and alongside a dictator. To do so, he formed a special committee whose aim would be conducting investigations over the violent events and violation of basic human rights that had happened during the

[182] (Heo & Roehring, South Korea Since 1980, 2010, pp. 89-91)
[183] (*Ivi*, pp. 43,44)
[184] (Cho & Kim, 1991)

previous regime. It focused mostly on the *Kwangju massacre*: they contradicted what Chun had stated (that it had been a communist plan), acknowledging instead that it was a prodemocracy movement. Afterwards, the administration formally apologized for what had happened there and offered help (healthcare and jobs) to the victims. Nevertheless, there was no process against the persecutors. Similarly, Chun's family (many of its members were suspected of financial corruption), who had not been previously investigated, was accused by the National Assembly (whose majority was the opposition) after the Olympics games had ended and had to pay for its crimes. Among the uncovered facts was the existence of the Samchung Reeducation Camp, where the regime had jailed dissidents and criminals. There was broad journalism and televised hearings of the proceedings against the perpetrators, sparking great public outrage, to the point that Chun himself had to give in and present his formal apologies on national television, agreeing on giving back a part of the assets he had accumulated in his activities. He afterwards retracted with his wife in a Buddhist monastery. The next president, Kim Young Sam, would later decide to give in to national reconciliation and forgiveness of the past, in order to proceed with South Korea's progress with an outlook to the future. Later, in 1995, after unfortunate accidents (the explosion of a gas line, the breakdown of a bridge and of a Department Store), further corruption of the Chun and Roh years could come to light, particularly concerning their accumulation of political funds from big enterprises. As more evidence kept coming to surface, Roh admitted to the accusations and was arrested, followed by Chun, alongside the top chairmen of the country (Daewoo and Samsung) for bribery in order to obtain favors from the government – the two accused politicians stated that they were simply campaign donations. Chun maintained that the whole process was just a big "political maneuver" and went on a hunger strike. They underwent trials in 1996 and were charged for and found guilty of treason; Chun received a death sentence (which was later reduced to life in prison) and Roh twenty-two years of jailtime (which were appealed and shrank to seventeen). Other nine *chaebols* were convicted with them, but their sentences ended up being suspended under fears of them having a possible negative impact on the economic, which, in those years, was starting to crumble. The pressures for investigations over the "irregularities of the past" would continue during the next administration, signaling a decisive cut from authoritarianist years and a consolidation of the democratic system, once and for all. The final cut of it all happened under the Kim

Dae Jung administration, when the president, in accordance with Kim Young Sam, gave pardon to the convicted; at his inauguration ceremony, the two ex-leaders were present [185].

3.3 Democratic consolidation

A brief mention regarding the way in which this topic is dealt with in scholar literature is to be done. There are mainly two key arguments over democratic consolidation. The firs one evolves around its definition: democratic consolidation is either the reaching of the minimal requirement which is the provision of periodical free and fair elections alone (minimalist view) or with the addition of the ability of the institutions to enforce civil rights and the rule of law (maximalist view). The second debate is more specific about elements that demarcate a consolidated democracy, meaning the existence of political institutions that follow the rule of law, formal and informal democratic practices, political participation and a historically established civil society and democratic culture. In this occurrence, regarding the specific case of the ROK, I argue that, above all these elements, it is the political culture of a country that determines its process of democratic consolidation (necessarily, the new democratic institutions must be internalized, accepted, and defended by both the administration and the citizens). Institutions cannot be excluded by the political culture that they are sustained by – and, in the case of South Korea, being profoundly influenced by Confucianism (which encourages the respect of hierarchies, harmony and stability as opposed to the democratic rule of law and majority vote), this has, at times, both interfered with it and sustained it. Contemporary South Korea has indeed still opposite elements of civic orientation and authoritarianism on the one hand and factionalism and nationalism on the other. In fact, many scholars, for this precise motive, consider the South Korean democracy not completely consolidated because, albeit it is now completely unlikely that it would resort to authoritarianism and has comprehended all the democratic institutions and practices in its political culture, it still, from time to time, faces severe violations of the rule of law [186].

[185] (Heo & Roehring, South Korea Since 1980, 2010, pp. 45-49)
[186] (Heo & Sung, Political Culture and Democratic Consolidation in South Korea, 2015)

The most troublesome period of recent South Korean history until 2020 is probably the time span that goes from the 1980s to the end of the 1990s: in just less than twenty years, the country rejected the established autocratic and military regimes and entered into its transition to democracy, then had to change fundamental assets and re-adapt to consolidate it. During this time, two former presidents were prosecuted for corruption, treason, and mutiny. At the end of the 1990s, other than a spike in the nuclear tensions with North Korea, the country had to face its biggest financial crisis. Yet its democracy and economy both manage to survive and keep on striving, until today, when ROK stands tall as one of the top rising economic powers in the world [187].

3.3.1 Kim Young Sam (1993-1998)

At the 1992 Presidential elections, Kim Young Sam ran as the head of the DLP, against Kim Dae Jung, who opted for the Millenium Democratic Party. A big *chaebol* was also running, Chung Ju Yung (previously the head of Hyundai), but he ended up not being an important competitor for the two Kims who, by that time, had reached great fame thanks to their political past. Their campaigns were filled with big mass rallies. Eventually, Kim Young Sam got elected with 41.4 per cent of the votes; Kim Dae Jung would finally see his quest of running for presidency realized in the next round of presidential elections (1998-2003). With Kim Young Sam's administration, South Korea made another historical step: for the first time since 1960, the country's president was a civilian, not someone with a past as a General in the Army. Moreover, with their second peaceful transition of power between administrations as the outcome of direct free and fair elections, South Koreans could finally claim to be entered in the consolidating phase of their democracy [188].

The Kim Young Sam administration gave a significant contribution to the liberalization of the country. It substantially pointed at the re-shaping of different sectors: interest rate deregulation, the elimination of "policy loans," the concession to banks of more independence in their management, the overall liberalization of capital account – features that were also among the causes of the 1997 financial crisis. State intervention,

[187] (Heo & Roehring, South Korea Since 1980, 2010, p. 50)
[188] (*Ivi*, pp. 43,44)

specifically within big businesses, had become progressively avoidable. Moreover, the US was pressuring South Korea to open up its financial market. Among the measures he adopted, Kim applied for the membership in the OECD (Organization for Economic Cooperation and Development), which definitely demanded for a more liberalized economy; therefore, the system of five-year planning, established in 1962, had to be eradicated. He also united the Ministry of Finance with the Economic Planning Board – a structure that later formed the Ministry of Finance and Economy. It was, in sum, the end of the "planning" and interventionist era for South Korean economics. No tool was implemented to strictly regulate competition or coordination for the investments any longer; the old-fashioned selective and discriminant industrial policies gradually vanished under the new neoliberal ideology that allowed the *chaebols* to accumulate a mounting power and influence. In fact, in those years, major scandals involving high levels of corruption on behalf of government officials and the big business occurred, sparking great outrage, and leading to the financial crisis. One of the biggest was the 1997 *Hanbo steel scandal*: after this enterprise fell into bankruptcy, its internal corruption involving the administration and the President came into light, bringing to trial and jail many top officials and the President's son himself. Such levels of corruption were not a common feature of the Korean developmental State in the past; they came to be with the sudden change brought about by its liberalization and weakening of the industrial policies in particular. In this manner, the infamous "crony" or "particularistic" capitalism came to characterize South Korea as it did with other democracies in the West. Nevertheless, even with the State's weakening, society (the already-treated social capital) kept on being a strong feature of the ROK, maybe even growing its power by the late 1990s. In fact, the clientelism and *generalized reciprocity* created by the traditional *affective networks* could rise with the weakening of the country's stance as a state. This occurred because individuals, in such situations, start to relinquish on their old sources of certainty: rather than facing the instability of the surrounding situation, they prefer to rely on the trust and predictability that their membership to the *network* guarantees them. So, as the rules of the game abruptly changed, people started going back to their stable roots while waiting for the institutions of the State to re-adapt. Consequently, the behavior of firms also changed: as mentioned before, they amplified their foreign investment, looking for opportunities abroad rather than domestically. Certainly, overall, this situation

contributed to favoring the private interests and private competition first, therefore further inducing the crisis [189].

Kim Young Sam's economic policy goals were basically two: ending corruption and setting globalization (*segwehwa*). The ties between the political sphere and the business were significantly, permanently weakened. Preferential credit allocation to *chaebols* would be now looked down to – yet they still led to corruption in the forms of slush funds ("ruling funds" to the president and "political funds" to state officials) in exchange of a favorable business analysis. At this point, the public cried for *accountability* on behalf of the high powers. And it occurred, during the trials to Chun and Roh that I already delineated. Afterwards, it was decided that politicians would mandatorily have to publicly disclose their assets, and this was done first by Kim Young Sam, the members of the cabinets and the major bureaucrats as well as those of the National Assembly. The move put them under high public scrutiny and scandals erupted after several inconsistencies emerged, leading to many resignations. The administration then institutionalized this policy practice with the Ethics Law for Public Officials and a system called "real name transaction", promoting financial transparency and a reduction of illegal exchanges (every individual had to have the same name on any public registration – residency, bank accounts, national IDs, tax information and so on). This measure, however, significantly slowed the stock market, causing many smaller businesses to become insolvent; the positive outcomes of *transparency* were achieved just in the long term. The same principle still governs the democracy of South Korea and is considered highly today, as I will delineate in next chapter with the example of the model implemented for handling COVID-19. Finally, regarding the aim of globalization, the financial markets were gradually opened thanks to the removal of the regulations on international financial transactions (also affecting the possession of investment and trade on behalf of foreigners). Labor unions were also fully legalized after the ban on collective protest was lifted once and for all. Local governments were significantly strengthened thanks to a concession of power and authority from the center; every province could now elect its own representatives and rulers. The sacrifices that the government made in order to implement these reforms were however big, as many governmental agencies had to be cut off; nevertheless, there was the creation of the Fair-Trade Commission (FTC). It had

[189] (Lew S. C., 2013, pp. 133-136)

to be said, finally, that the *chaebols* lobbied *en masse* against the government's attempt to limit their power, thus reforming them would turn out to be quite difficult. The government compromised the situation by imposing limits but allowing them to basically expand limitlessly outside its favors. They, in the end, were a traditional setting that was far too established in Korean society by 1990, having been a pillar of its development since the 1960s [190].

3.3.2 *The 1997/8 Financial Crisis* and afterwards path

At this point, examining the in-depth details of how the *1997 financial crisis* came to be is not my main intention. As a far stretched and complicated issue, I am afraid it would be quite off topic. Therefore, I will limit the discussion to what concerned the role that the South Korean administration had in it and how it was intertwined with the democratization process of the country. My ultimate intent, in the closing remarks of the theoretical and disserting phase of my thesis, before the chapter regarding my case study, is to simply set the pattern of what came to be after the crisis, in modern-day Korea – meaning, how the present-day Korea was impacted by it. What substantially happened is that Southeast Asian economies started to crumble – first Thailand, the Malaysia and Indonesia, leading to the crash of the Hong Kong Market. Giving that South Korea had significant foreign investment in many countries in the region and it had many short-term loans that were dollar-based, it ended up being severely brought in and affected as well. At the same time, foreign capital started retreating from all over the area, causing major further crackdowns. Eventually, in 1997, the *won* was so depreciated that South Korea had to ask for a rescue found to the IMF in order to bail out the economy – in exchange for tight fiscal policies and high interest rates. This, however, caused disastrous bankruptcy and unemployment all over the country.

The Kim Young Sam administration made attempts to compensate the dangers of the crisis. First, it established a labor reform bill that would have given more freedoms to businesses in the management of their workers (the cost of labor had risen considerably) and ultimately give back some lost flexibility to the labor markets; despite strong

[190] (Heo & Roehring, South Korea Since 1980, 2010, pp. 91-93)

opposition on behalf of labor unions, the bill was passed, sparking public outrage, thus Kim had to annul it. Moreover, after *Hanbo steel*, other two major chaebols fell into bankruptcy (Sami Steel and Kia Motors). Therefore, in 1997 Kim implemented a financial reform bill aimed at the control of the lending practices through the creation of a new governmental agency to supervise and manage all the financial institutions – however, this also failed to pass because of discordances in the National Assembly and the high interests of the Bank of Korea in the matter. It also exposed the President's son. Consequently, Kim lost a lot of political and moral stance in the country [191].

But was democratization to blame for the crisis? In fact, this is a popular, external interpretation of the causes that led to it: some scholars say that there were international factors (external explanation or the victimization paradigm), blaming international oil shocks, the pressures for liberalization on behalf of the US and the OECD project and such, exogenous variables in which South Korea and its established economic structure itself had little to do and that the democratization started in 1987 brought about. Indeed, the crisis was started outside of the country, in Southeast Asia. But this explanation does not comprehend the whole situation: why, for example, did the South Korean economy turn out to be more affected and vulnerable compared to others? In fact, many causes were internal – the inconsistency and inefficiency of the government, its populism regarding the regulation of the behavior of the *chaebols*, and the behavior of overspending and taking too much advantage of the situation of the big businesses themselves – and Koreans themselves tend to do a "*mea culpa*" for them still today. Therefore, democracy was not the direct cause of the crisis in the ROK nor the events undermined the democratic process either; rather, the successive governments and the society itself could learn and grow from it [192]. The 1997 Financial crisis did, finally, manage to transform the South Korean developmental state itself, but it actually never stopped changing, since its establishment under Park Chung Hee. In fact, from 1997, the state had to shift more attention over the distribution and managed of its "public funds", especially those allowed by the IMF to solve its insolvency, thus modifying and upgrading its internal structure – the autonomy of the state, its ties with the business and industrial sectors and also with

[191] (Heo & Roehring, South Korea Since 1980, 2010, pp. 93-103)
[192] (Kim S. , 2000)

the social capital – in order to accommodate globalization [193]. I will not dwell any longer on this specific topic, as it would have to be the object of a more in-depth financial analysis that would be external from the main purpose of my thesis.

The decades after Kim Young Sam's administration portrayed a cyclical behavior of alternation between liberal and conservative presidents, and this reflected the fundamental structural and historical changes that society had encountered until then. 2017 marked the 30th anniversary of South Korea's democratization, fulfilling what was started in 1987. In fact, the leaders that occurred after democratization – Kim Dae Jung (1998-2003, the first president elected among the opposition, something that definitely jumpstarted the consolidation of the democracy, with the creation of more clear cleavages between parties and ideologization), Roh Moo Hyun (2003-2008, who chose people outside mainstream politics to form his cabinet, going against the tradition of choosing older people with an established career), Lee Myung Bak (2008-2013 who marked the first shift from the progressive left to right-wing presidents), Park Geun Hye (2013-2018 the first woman to cover such a high political role, who was later impeached) and Moon Jae In (2018-in charge) [194] – all had a common task: to build closer alliances between the many societal elements, particularly with the *chaebols* and among the pro-democracy groups within civil society, in order to prevent resistances and the prevalence of one to the other [195].

If we take a look at the moral and cultural dimensions, we can also notice how the 1997 crisis undermined the autonomy and the abilities of the Korean state also because of the disappearance of fundamental spirit that drove it in the precedent decade. Cultural characteristics – in particular, Confucianism, *affective networks,* and state intervention – have indeed proven to be beneficial in producing positive effects on South Korean development, favoring both economic growth and democratization of the society, becoming institutional assets that can certainly be relevant for the future progress of the country as well [196]. Therefore, it can be safely assessed that the importance of the informal and sociocultural dimensions of development are as significant for economic success as

[193] (Wang, Did the 1997 Financial Crisis Transform the S.Korean Developmental State? Focused on the Public Fund, 2013)
[194] (Heo & Roehring, South Korea Since 1980, 2010, pp. 50-52)
[195] (Kim S. , 2000)
[196] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, p. xiii)

they are for democratization (both in its transition and consolidation phases). This becomes exceptionally evident during emergency situations, like that of the failed *1997 crisis* or the most-recent one of the *COVID-19 pandemic*. Social capital, *affective networks* and traditional culture have turned out to be a double-sided tool for both democracy and the market: they can contribute to their successes as well as to their failures. Overall, in South Korea, both the state and the market have been structured around the moral economy of such underlying features, therefore the country has reached and maintained an extraordinary success, showing its capacity to overcome dark times on many occasions – as I will ultimately show in the next and final chapter [197].

Furthermore, the discourse can be extended to other success stories pertaining to the surrounding Asian economies of the region, which were likewise characterizes by strong ties between the state and the business and between the businesses themselves, a strikingly different feature from most western-style capitalist economies. The solution to problems like those emerged from the 1997 financial crisis – thanks to which such economies have been accused of portraying a "crony", corrupted form of capitalism – is not, however, the complete eradication of the underlying system that also directly led to their own development; modernization and rationalization can, on the contrary, go hand-in hand with some traditional structures in this area of the world. Certainly, several features are deemed to disappear, but they are not necessarily inherently wrong for this. In fact, characteristics like the South Korean *affective networks* seem to keep on living, despite the democratization, modernization, and liberalization process that the country has transitioned to and consolidated since 1987. The society and politics still operate with the traditional Confucian structure in their backgrounds, despite having dropped many obsolete elements; they developed thanks to it but also *alongside* it. A complete eradication of them from both society, the economy, and the state, would automatically imply a complete reverse and total change of how daily Korean life is for most citizens. It is simply not possible – and even if it was, a scenario as such will still take a long time to occur. Therefore, maybe it should not even be recommended as the only right path to follow to reach the level of other developed countries. Instead, it should be understood in its nature and justified as it is: unique. Just with this mindset could we finally came to

[197] (Lew S. C., The Korean Economic Developmental Path - Confucian Tradition, Affective Network, 2013, p. 21)

grasp how a such traditional background for organizing a state, a society and an economy is actually compatible with a full democratization and industrialization [198].

[198] (Lew S. C., 2013, pp. 49,50)

IV. A unique model to face the COVID-19 emergency.

"The Key tenet of our model can be defined as a dynamic response system for open, democratic societies" – Kim Gang Lip, Vice Minister, Ministry of Health and Welfare

To conclude my dissertation, I will now ultimately introduce a case study that represents the perfect mix between the elements of tradition, autocracy and democracy that I previously delineated. The model that South Korea created and established had been indeed proven to be a concrete demonstration of its unique way of handling emergencies that came from its Confucian basis – as pertaining the way that society immediately reacted and shaped its response to the crisis – its economic development success –that put it on the global scene as a competitive actor – and, at last, its recently-acquired experience regarding a democratic conduct of State management – which, however, does not completely overshadow the structure that was established during its autocracy years.

My intent with this chapter if therefore to show how all these features that came to characterize South Korea in 2021 also stand out clearly in the (quite efficient) way that the country responded to a global emergency. It is also to demonstrate how, contrary to mainstream beliefs, they can still stand together and form a successful model in modern societies like the South Korean one. The country, indeed, received international praise for its way of handling the urgent situation, succeeding in creating and enforcing a new feature which gave it a renewed global stance and positive potential for further growth and fame in the next future. Such swift changes and methods perhaps could have not been achievable elsewhere, in other countries in the world that present strikingly different traditional characteristics and historical developments. Without the elements that I came to describe during my dissertation, this simply would have not been possible.

4.1 Policies and Measures of the model [199]

After China, South Korea was one of the first nations to be the hardest hit by the pandemic during the first wave. By the end January 2021, the country counts around

[199] All the information Is taken from the document published on the KDCA official page: Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020

77,000 infected cases with a total death toll of around 1400 [200], ranking twelfth in the world according to Bloomberg statistics (with a resilience score of 60.9, 50 cases per 100,000 inhabitants monthly, a monthly fatality rate of 2.8 per cent, 26 deaths per one million, a positive test rate of 0.9 per cent [201]).

The basic concept for facing the virus, everywhere, has been one: infectious disease prevention and control; this does not involve just the stop of the virus from spreading, but it also implies the sustainment of social and economic activities, allowing citizens to carry out their personal lives while protecting their health all at once. South Korea, since the start, had enacted a method that balances between the preventive measures and everyday life through the maintenance of an open (democratic) society rather than establishing lockdown measures – believing that, in today's highly interconnected world, such measures would have just temporarily effects (reducing the number of infected cases) but dreadful economic consequences [202].

The three core principles of the model are: *Openness*, *Transparency* and *Creative Innovation*. Practically speaking, the system comprehends an early diagnosis of infected individuals and accurate tracing and management of all the people who came into contact with them. Moreover, in order to guarantee essential exchanges and the movement of people without undermining the prevention and the response activities of the government, Special Entry Procedures for incoming travelers (both Koreans and foreigners) were adopted: they not only are tested in their temperature and symptoms, but they also have to undergo a proper test and then proceed to isolate for 14 days before entering any kind of social life in the country. During this time, special procedures were established for them to follow, especially strict monitoring with specific apps and physical check-ups, in order to minimize the importation of cases from abroad. Nevertheless, these were the only compulsory control measures that the government of South Korea enacted. Everything else involved the participation on behalf of the citizens, who were kept updated regarding every development of the situation and every measure enacted to face it with full *transparency* from the government. This was made thanks to daily video conferences regarding key issues on behalf of The Central Disaster and Safety Countermeasure Headquarters, presided by the Prime Minister and attended by the officials from eighteen

[200] (Center, 2021)
[201] (Bloomberg, 2021) data and statistics accessed to on January 29th, 2021.
[202] (Government of the Republic of Korea, 2021)

government ministries and seventeen regional governments. During the meetings, they made decisions that were then shared to the public trough the government's briefing twice a day – but they were available in also many other different platforms, starting from direct governmental messaging on every registered Korean number. Moreover, on a daily basis, The Central Disaster Management Headquarters and the KCDC brought about active discussions in order to comprehend the new virus and establish possible creative answers to face it. Local government and specific ministers swiftly enacted many creative strategies to face the single issues: drive-troughs testing spots (first established in South Korea and then benchmarked the rest of the world), walk-trough screening facilities, residential centers for the treatments of patients whose symptoms were classified in different entities, non-personal (made through machines or specific technologies) medical services [203].

These three principles created a model that is now known as the "Three-Ts" model: *Testing* (fast laboratory diagnostic Testing – up to 90,000 tests conducted per day in September), *Tracing* (meticulous epidemiological investigation and self-quarantine) and *Treatment* (appropriate treatment and care for the patient) [204]. The then-KCDC (Korean center for Disease Control, now KDCA, Korean Disease Control and Prevention Agency), began the creation of diagnostic tests early on, in January, as soon as the first case had been recounted. The same agency also supplied all the necessary technical support that all the medical institutions needed to conduct such testing, including specific national testing laboratories. Afterwards, walk-trough and drive-through centers were created in order to ease the burden that was weighting on medical facilities and also enact a campaign for fast and aggressive testing nationwide to enforce prevention. This made it possible for South Korea to have an incredible rate of early-detection and confirmation of positive cases inside communities, granting a better management and containment of the situation. In fact, at about forty-five days since the first case appeared on the national territory, 300,000 people with symptoms had already been tested [205]. Moreover, the use of an ICT-based tracing system granted a shortening of the time that was necessary for such epidemiological investigation – meaning the identification of the causes and features of a disease and bring about the right procedures for its prevention and control. In the

[203] (Government of the Republic of Korea, 2021)
[204] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020)
[205] (McLaws, 2020)

case of COVID, this mostly pertained the analysis of contact tracing and potential transmission routes [206] : the ITS (International Traveler Information System) communicated its data to the KCDC, as well as the DUR (Drug Utilization Review) system; these organizations worked to inform the healthcare workers and providers about the general and specific situation – meaning, the movements of infected people, whether a patient had recently been in an area of the world that was affected by COVID-19, so that they could ultimately take the appropriate steps by cross-examining all these data, in a system called SMS – Smart Management System. Above this, there was the creation of a data-management infrastructure for the safe sharing of data among officials and citizens (regarding, for example, their credit card transactions or the position on their mobile phones), in order to trace, test and isolate all the contacts of positive cases. Regarding the allocation of resources, finally, the system managed to establish a fixed procedure that prevented unnecessary losses: first, confirmed cases are categorized according to the severity of their symptoms; then, mild ones are sent to be treated in residential treatment centers using minimal medical funds, so that the treatment of severe cases can utilize more resources. Moreover, Isolated Hospitals and Infectious Diseases Hospitals were set up in order to guarantee a certain number of beds and healthcare workers to be free at all times. The personnel was also extended by hiring volunteers and public health doctors. Finally, they were helped in finding the appropriate way to care for patients by the studies and clinical findings conducted and shared by the Central Clinical Committee for Emergence Disease Control (under the guidance of the National Medical Center) [207].

Thanks to all these efforts, even when the virus kept spreading all over the world, Korea remained being prepared and updated in taking progressive steps for the return to the daily lives of its citizens. It succeeded in forging a new strategy to face this unprecedented emergency in modern global history [208].

[206] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, p. 45)
[207] (Government of the Republic of Korea, 2021)
[208] (*Ibidem*)

4.2 The *Public-Private* Partnership: an established economic feature

Albeit South Korea possesses a solid Public Health system to support the model – public and military hospitals were the first to treat the confirmed patients in the early days so that other institutions would have more time to accurately prepare to welcome others – the medical resources from the private sector were vital for its success. In fact, private hospitals, beds and personnel are itself parts that are included in the bigger Public Healthcare system (the National Healthcare System covered many services inside already-established insurance packages). The process is two-sided: differently from the past – there was a time, as I delineated in previous chapters, in which the infrastructure system of the country was ruled in a strictly top-down manner, hence the government would assign the specific role of treating COVID-19 patients to specific hospitals – the government's task is now to responsibly supply private hospitals with all the necessary items. Thus, it can be safely said that nowadays the country changed its attitude regarding the private sectors in the business as well as in the health departments, towards a more interactive process in which hospitals give suggestions about their tasks and the governments provides them with the necessary assistance accordingly [209].

It is to mention that the strong governance of the country was greatly favored by the already-existing policy infrastructure that had been put in place as a consequence of the 2015 MERS (Middle East Respiratory Syndrome) crisis. In that occasion, the country could learn many important lessons from mistakes that the Park Geun Hye administration made – back then, for example, the government did not publicly disclose the names of the clinics that were treating patients, leaving out transparency and creating problems such as the creation of avoidable clusters in specific hospitals. The authorization system for testing had also been too slow. The MERS emergency thus provided the country with the necessary legal framework in order to face the COVID-19 crisis, mainly needed to activate the Smart Management System – the government had established a plan to reform the National Public Health Emergency Response System, to prevent the import of infections and reorganize the KCDC (created in 2004, after the 2003 SARS epidemic) – during COVID-19, there was indeed the creation of a Special Committee for the Response

[209] (Government of the Republic of Korea, 2021)

within the National Assembly [210]. The Infectious Disease Control and Prevention Act had also been emended and enriched with many useful measures for the collection of important information on behalf of the authorities, other than with the clear statement that the public had the full rights to be disclosed all the necessary information (Article 6 (2), Duties and Rights of Citizens). Regarding the risks that this would bring about surrounding privacy rights, the CDC Headquarters also established guidelines regarding the (short, 14 days) period of time in which this would be allowed and expiration dates of older data [211].

During the Novel Coronavirus crisis, therefore, the KCDC, which was mainly administered by health specialists, was given more independence and power, and policymakers elaborated a package of laws aimed at, other than the allowance of the usage of the testing kits and of the treatment for emergencies and of the collection of data for contact-tracing on behalf of the health authorities, the support of the public-private partnerships in the medical field [212]. This feature is particularly relevant if we consider that, since the very beginning, the government then shared the necessary technology to produce high-quality and fast testing kits (whit at least 95 per cent accuracy and with results available in less than seven hours, the so-called "Real Time RT-PCR testing kits) to the private manufacturing firms and demanded them to start producing them. They were then both used for national needs and exported at great amounts worldwide [213].

Therefore, the private sector, alongside the central and local governments, has turned out to be one of the three essential components for the effective cooperation that lead to the success of the model as a whole. The "Public-Private Partnership", PPP, turned out to be efficient once again, under unprecedented emergency situations, for the newly formed South Korean democracy. The new institutions that came out by the MERS policy failures worked out well, especially in the sector of Real-Time Polymerase Chain Reaction (RT-PCR[214]) testing and export [215].

[210] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, pp. 218, 219)
[211] (*Ivi*, pp. 46-48)
[212] (*Ivi*, pp. 26-35)
[213] (*Ivi*, pp. 35-78)
[214] This point is mostly related to the activation of the emergency use authorization (EUA) system for the kits, a result of the MERS policy failure, thanks to which South Korean innovators in the In Vitro Diagnostics area could take the lead in the model by developing large-scale and fast testing kits. (Source: Park & Chung, 2020)
[215] (Park & Chung, 2020)

4.3 Tradition, Confucianism and Democracy

The above-mentioned collusion and effective collaboration between the public and the private sector, one of the keys of the success of the South Korean model for facing COVID-19, can be seen as an "authoritarian residue [216]" which, consequently, led also to the obedience on behalf of citizens to the state's mandatory rules. On the contrary, as I extensively discussed during my dissertation, it is a characteristic trait of the South Korean Developmental State – of its traditions and cultural basis, of how it historically and economically came to be and also the basis of its modern democratization and of the civilian check and balances that characterize its contemporary evolution. And it does not stand alone: indeed, in the following concluding sectors, I will delineate how all the other characteristic features of the Development of the ROK ended up showing and rendering successful its unique way of handling the global crisis as well.

4.3.1 The Enforcement of the Strong State: a historical heritage

During the early days of the pandemic, when Korea was one of the first country to be severely hit, the authorities had to take a more proactive approach, developing a government system that envisioned close cooperation between ministries and fast decision-making to reflect all the needs and interests involved. The turn point that made authorities decide to dispose a widespread testing campaign – after the first cases were imported from China – was the news that, in February, an elderly Korean woman ("patient 31") [217] who was a member of a religious cult had contracted the virus but went on infecting many hundreds of contacts of hers, becoming a super-spreader [218]. At the beginning of February 2020, the Proactive governance committee supported the health authorities by approving agendas in a swift and quick way – specifically, regarding the prescriptions that were given over the phone, the budget for the development of the self-check app for travelers who were subject to the Special Entry Procedure and the costs for the treatment in the

[216] (Park & Chung, 2020, p. 2)
[217] (Shin, Berkowitz, & Kim, 2020)
[218] (Government of the Republic of Korea, 2021)

dedicated residential centers. The quickness of the procedure entailed that, right after the decisions on a topic had been made, they were immediately implemented by the competent ministries and by the local government through the mobilization of their resources. This all falls into the *Creative Innovation* part of the method [219].

Furthermore, still in the early days of the emergency, the government took a strong stance also regarding the first "T" of the "Three Ts model", when it allowed the emergency use of testing kits and ensured that it would purchase the appropriate amount of them in order to grant the proper returns to the producing company, especially during the stage of production of review. This, of course, is in line with the historic collaboration and ties between the strong state and the businesses that I delineated in the previous chapters, but it also shaped the basis for the large-scale testing that occurred later on, at the very beginning of the emergency [220].

A brief mention to the economy: in order to face the crisis, the South Korean state enacted special Economic Policies known as "the three P" – protecting, preserving and preparing – expanding the budget and supplements of its recovery efforts. It also established Emergency Disaster Relief Funds to stimulate domestic consumption, measures for employment, to stabilize the Financial Market and to support small Businesses and SMEs. The whole package is known with the name "Korean New Deal", a project that aims at future goals of innovation and renewed international competition and cooperation for South Korea after the COVID-19 era as well [221].

Within the measures that the *strong state* enacted, there are also features that it might perhaps be impossible to enact in countries that are very concerned with privacy rights. In order to trace the movements of the infected, other than traditional interviews to patients, epidemic intelligence officers were allowed to request data from mobile phones, credit cards, GPS, CCTVs (Closed-Circuit Televisions), all of which was allowed by the Infectious Disease Control and Prevention Act. Information was also collected by the data taken from the "KI (Korean Internet Pass) – QR codes for the log-in system of many facilities, then sent to the Korea Social Security

[219] (Government of the Republic of Korea, 2021)
[220] (*Ibidem*)
[221] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, pp. 172-240)

Information Service, to control the visitors of, for example, private academies, cafes, cinemas and so-on. This set of data was transmitted to the Epidemiological Investigation support System; in case an infected person visited a specific destination, all the other visitors would then be advised of a possible contact there. Afterwards, the collected information is gathered by the Ministry of Land, Infrastructure and Transport (MOLIT), the Ministry of Science and ICT (MSICT) alongside the KCDC and the Korean National Police Agency (KNPA) and the telecommunication enterprises inside a new, purposely created system of computer network. Moreover, a mandatory app checks the location and whereabouts of every quarantine individual, sending alerts to governmental officials in cases of non-compliance to the rules. Severe punishments would then be applied by police authorities. Disinformation regarding the disease itself and the changes (the so-called "infodemic" that spread globally) is also harshly regulated and directly confronted by the authorities in public. From the beginning, Journalists were also invited to refrain from using provocative terms or exaggerations and from favoring personal opinions over medical facts in order not to spark social disturbances, and they agreed on a set of guidelines to follow. In the private sector, on the other hand, many developers created specific application and projects to ease the governmental efforts regarding the enforcement of these measures [222].

This situation is particularly unique for the rest of the world if we take under consideration the fact that the information that authorities could take from these investigations over personal data was then anonymously shared to the general public, in order to help individuals make their informed, conscious and responsible decisions to their own protection [223]. There have been many protests around the Western world, showing concern over potentially intrusive measures like these adopted by countries like South Korea to fight the virus; however, they have shown to be successful and, if we intend to "have our old lives back", they might perhaps have to be tolerable for a short period of time. South Korea stands still in claiming that, although privacy is a very crucial human right, it is not an *absolute* one, hence it can be exceptionally scarified for the sake of public health. In these terms, the battle against this virus can

[222] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, pp. 46-130)
[223] (Government of the Republic of Korea, 2021)

also be seen as an individual struggle that maybe Asian societies welcomed better, given their collectivist cultural basis, favoring the public interest before the private and putting trust into national governments in emergency situations [224].

Therefore, the measures enforced by the strong Korean state were the perfect combination between control prevention of the spread of the virus, protection of public health and maintenance of the openness of the economy. Also, thanks to the experience of the country with similar epidemics in the past (in 2015 it had been the hardest-hit country from the MERS outbreak), the administration could effectively integrate the infrastructure of the public health and a technology of advanced information and communications. In particular, the state had to appear strong and determined in order to collect the necessary trust on behalf of society and activate the cooperation mechanism that would make the model function properly. In this sense, the collaboration between the central and the local governments was crucial to manage the activities of control. Specifically, "Regional Centers for Disease Control and Prevention" were created to operate backing activities to local governments in all the main provinces. Moreover, the government strengthened the KCDC (under the Ministry of Health and Welfare) even further in order to be assisted in these delicate operations – it became a fully autonomous government agency in September, the KDCA; in sum it had the power to enforce the policies that were enacted to face the disease, to control the budget personnel and management. There was also an enhancement of the governmental funds dedicated to research and development of applied sciences. Furthermore, Korea re-activated the national Infectious Disease Risk Alert System (under the Minister of Health and Welfare), raising and lowering its levels (1 to 4) following to the changing epidemiological situation over the year, and the government enacted its response policies accordingly. The highest level foresees the activation of whole-of-government procedures through the stimulus of the Central Disaster and Safety Countermeasure Headquarters (CDSC, established on level 3); this means that, whenever community transmission would be happening nationwide with mostly unknown origins, the governmental responses would operate in its full capacity – there would be pan-governmental meetings chaired by the Prime Minister, who also rules the meetings of the Headquarters, influencing all the

[224] (McLaws, 2020)

competent ministries within the central government and the major cities and provinces likewise. During the peak of the first wave, in late February, these meetings have happened every day of the weeks, with just some exclusions of certain days (for example, during the April 15 general elections, held with special voting procedures). Since April, with the progressive flattening of the curve, they have been reduced to three times a week and involving less ministries and officials. Additionally, the Prime Minister has the faculty of organizing and presiding *ad-hoc* summits and consultations over specific issues, such as the shortage of face masks or a sudden rise of imported cases, to deliberate on specific matters after having taken all the interests and points of view involved under careful consideration. Precisely, the recurring exchange of ideas and dialogue between central and local administrations was essential in order to identify the most significant issues and bargain common resolutions, setting out effective adjustments and implementations. A perfect example of this successful collaboration and distribution of resources was the immediate transfer of patients from the first and hardest-hit North Kyongsang Province to other cities during the very early days of the emergency, or the decision, in June, to distribute the medical resource of the whole country among six regional clusters, or, again, the management of the self-quarantined people – each of whom has an allocated official for their control and possible assistance. Simulation drills also took place to prepare the competent personnel to possible future outbreaks. This all, once again, demonstrates the success of the administration and bureaucracy of the South Korean state, a feature, as I hitherto outlined, that characterized it from it very beginning and continued to be constant all thorough its modernization. Such collective efforts and adaptation techniques on behalf of the government of the ROK will also be crucial in determining the way in which the country will overcome the consequences (specifically, the socio-economic ones) that were brought about by this major pandemic [225].

4.3.2 Civic Engagement and solidarity: a traditional Confucian legacy

The cooperation that the Korean people showed during this emergency time is certainly to be included within the main characteristics that rendered the whole model

[225] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, pp. 26-35)

successful. In fact, as we could notice during these months, it is not guaranteed that when a government establishes Social Distancing measures – in the case of South Korea, spread in the Three-Level Scheme that the government established, switching from "Enhanced Social Distancing", to "Eased Social Distancing" to "Distancing in Daily Life", according to the intensity of the situation – the people would willingly follow [226]. Clear shutdown orders to activities came just with the highest level, called for a brief period in May, when many clusters arose surrounding entertainment facilities. Society in Korea showed voluntary and active participation to the campaigns conducted by the government. Certainly, policy-making actors played a key role as well in encouraging citizen trust and collaboration by easing their anxiety towards the new and scary situation – the people could access to all the information they could need in a transparent way, other than easily reaching healthcare location for testing and checking the availability of face masks thanks to the update on the nation's mobile maps service [227]. Twice a day, they also provided the public with press briefings chaired by the Minister or Vice Minister of Health (during the morning) and the Direct of the KCDC and that of the Korea National Institute of Health, KNIH (in the late afternoon), other than with large number of materials and information, both in Korean and in English, regarding the number of new infections, of the tests that were being conducted and the exact circulation of the infection around the regions, the contact-tracing and so on [228]. Trust was also encouraged thanks to the initiatives of the government, one of the first in the world to do so, to bring back Korean national from the most-affected areas with specific chartered planes, with special "evacuation plans" [229]. In occasion of the 70th anniversary of the end of the Korean War, authorities also sent out operations to redistribute large numbers of masks to veterans worldwide [230].

However, their participation has also a lot to do with the Confucian basis of the country. Given the incredibly high population density and the absence of a lockdown, authorities established and enforcement of mandatory mask-wearing since the very beginning; therefore, the population complied to this obligement all in once, without hesitation – a scenario that happened very rarely in other parts of the world, despite the

[226] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, pp. 113-130)
[227] (*Ibidem*)
[228] (*Ivi*, p. 34)
[229] (Shin S. M., 2020)
[230] (Santoro, 2020: *COVID-19. Korea does not forget the Italian veterans of the "Forgotten war"*)

fact that some countries were more significantly hit by the infection [231]. Soon enough, the government placed restrictions over the number of masks that every citizen could purchase and established a whole functioning system for their equal redistribution until the end of the momentary scarcity, which everyone respected [232]. Specifically, a five-day rotation system was established to regulate the distribution and purchase of masks at pharmacies, according to which each week every person registered to the National Health Insurance service had the right of two masks (a number that was later raised) at a discounted price. The pick-up days were established based on the birth year. Moreover, the KCDC also set out Campaigns and counselling services aimed at easing the psychological stress and the mental illnesses of citizens during their pandemic efforts, in collaboration with the Korean Psychological Association and Trauma Centers, for the management of the generalized and spread stress, depression and anxiety. As an important part of Confucian tradition, Education also received a special treatment in the protection measures, and the reopening of its facilities, especially for the younger students, was a priority from the start. All the connected infrastructures were expanded, as well as the Educational Broadcasting TV channels and the provision of support systems to the students in need (students with disabilities or lower incomes, with less-easy access to digital learning), as well as special protections for incoming international students, whose influx in the country did not stop despite the emergency [233].

The difference between the Asian and the Western citizens perhaps relies in the fact that the latter have to be convinced by the government regarding the effectiveness of the measures enacted to fight an emergency, whereas the former are substantially and relatively immediately prone to sacrifice, collectively, in order to face it [234]. During the 1997 financial crisis, the debt that was credited by the IMF to South Korea was paid off partly thanks to a widespread "Gold Collecting" campaign in the nation, involving many citizens actively offering their personal gold reserves to benefit the state's resurgence from the emergency [235]. Twenty years later, in 2017, the same dynamic re-presented itself under the form of the Candlelight movement, mass protests that involved the majority of

[231] (McLaws, 2020)
[232] (Jeong, 2020)
[233] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, pp. 126-170)
[234] (McLaws, 2020)
[235] (Holmes, 2016)

the country, leading to the president's impeachment [236]. Finally, during last year, 2020, the global crisis of the pandemic reunited the Korean people once more, demonstrating a strikingly characteristic feature of theirs: the fact that, when they face a crisis, they are incredibly able to reunite and engage to take civil action collectively. On their own, the people have refrained from doing all the avoidable things that the government discouraged them from doing – participating in mass reunions, meeting many people, eating together, co-living in closed spaces – and followed the majority of the rules comprehended in the Social Distancing campaigns, for the most part – employers let workers work from home, bus drivers equipped their vehicles with hand sanitizers, small restaurants paid more attention di sanitation, people stopped taking public transportation or going to the cinema if it was not strictly necessary and, finally, everyone, from the start, wore a mask. The result is shown by data: for example, on January 2nd, before the spread of COVID-19, the Daily Population Traffic (based on mobile big data) amounted to 17.9 million, while on March 29th it had decreased to 11.7 million. Again, during the month of March the number of new mass infection cases amounted to a total of 11 before social distancing, and to 4 afterwards. – all without an explicit blockage of movements but just based on governmental suggestions and social responsibility. The private sector has also been very collaborative: big sports opening events were delayed [237]. Overall, every citizen made an effort to better the situation for everyone, with really little resistance. Compliance to the rules was spread all over the country, up to the point that compulsory measures were often rendered unnecessary by the people. The feeling of community, the *affective networks*, greatly contributed to this awareness and respect on behalf of everyone. Many international observes pointed out that this is a signal of a very efficient democratic potential of the newly democratic nation. Voluntary participation was also a noticeable feature of this dynamic – demonstrated, for example, by the nearly three-hundred healthcare workers that in just one day arrived in Daegu to offer their help when the news of a big cluster there broke out. The public also show farfetched maturity in their civic consciousness in diverse aspects of their daily lives: panic buying (the "rush to the shelves" that, in other countries, lead to many essential-items supermarket departments to remain empty) did not occur in South Korea. People consciously bought

[236] (Kim H. , 2019)
[237] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, pp. 117-122)

what they needed without stocking unnecessary quantities, and in some cases, there were even offers put out in the open and no case of stealing. Even the supply of masks, the more necessary item in this period, did not go below the demand because of panic-buying on behalf of the people. Campaigns to discourage people from buying masks were also popularized, in order to favor those who needed them the most (doctors, the elderly or sick people) during the shortage period. These efforts, also reached thanks to a recent history of taking action together as a community when facing adversities, do not come from governments alone, they require significant participation on behalf of the ordinary citizens. Civic campaigns to support one another were born everywhere in the country, often joined in by the government – other than the aforementioned, the "TRUST" (Transparency, Robust Screening and Quarantine/Responsibility, Unique but Universally-Applicable/United Action, Strict Control/Science and Speed, Treatment/Together in Solidarity) campaign, the "Stay Strong" campaign, the "Floriculture Farm Revival Challenge", the "The Good Landlord Campaign", the "Thanks to You Challenge", the "Cheer up, Daegu, Gyeongbuk-do" campaign, [238], [239].

4.3.3 Democratic elements: *transparency and openness*

Despite having seen surges in new cases concentrated in clusters inside certain regions, the South Korea government, maintaining the disbelief in lockdown measures as a sustainable solution, did not opt for such compulsory procedures. Instead, it chose to follow a very democratic principle: to provide the public with information on the outbreak and all its responses in a timely and fully transparent way. By doing so, as already cited, it both showed to put a lot of trust in the behavior of the citizens and won trust from the public, creating a cyclical positive behavior that benefitted the overall management of the situation. The very transparent methodology delineated in the first paragraph of this chapter encouraged Koreans to cooperate with its response measures actively and responsibly [240].

[238] (Arirang, 2020)
[239] (Task Force for Tackling COVID-19, Ministry of Foreign Affairs, Republic of Korea, 2020, pp. 133-136)
[240] (Government of the Republic of Korea, 2021)

The other crucial democratic element that allowed the country to succeed in handling COVID-19 is, as mentioned before, *openness* – in the form of *inclusive governance* and *transparency*: decision-making was rendered open to the public, the administration of key policies was assigned to specialized personnel, and the government itself enforced the unity of the country against the hardships [241]. Furthermore, another argument that can be brought about in favor of Korea's democratic response is that the absence of a lockdown under the guarantee of simple Social Distancing measures favored one of the principal rights comprehended into the democratic values, the right of movement, thereby not infringing on people's freedoms. This was thus also connected to the guarantee of another right: the right to vote. Indeed, on April 15 South Korea became the first country to hold an election during the pandemic, and this was made possible thanks to both the same democratic efforts of the governmental measures and the high trust it put onto people's responsible and spontaneous respect of social distancing [242].

It has to be stressed that South Korea is a very active democracy, meaning that it does not work effectively just on the basis of the president and his team's work, but also on the legitimization and control on behalf of a very vigil and attentive citizenship over it – the often-mentioned civil *checks and balances*. The many revolutions that Koreans put out during their recent history and their struggles for democracy (April 19th, The *Gwangju* Uprising, The *June 1987* Struggle, The Candlelight Revolution), all examples of how the cultural base of Koreans and their spirit render them able to join together to solve a common issue, helped shaping the maturity of civic consciousness that characterizes South Koreans nowadays and that came to light just in the recent occasion of crisis – as it was also shown during the 1997 Asian Financial crisis [243].

Emergency situations can be more easily overcome by citizens who put significant levels of trust into their governments and the fundamental values of their country. In the case of South Korea, as I demonstrated, the system comprehends a part of traditional values – *affective networks* provided by the Confucian cultural base – and a more recent legacy of *openness*, *transparency* and full government *accountability* provided by democracy. These features provided the perfect basis to fulfill this need brough about by 2020. Thus, as shown by the ultimate South Korean COVID-19 model, these intrinsic

[241] (Government of the Republic of Korea, 2021)
[242] (Choe, 2020)
[243] (Government of the Republic of Korea, 2021)

features are not necessarily destined to disappear in the face of modernization. Apart from a strong *governance*, the most effective tools to face a national and global crisis have been proved to be *solidarity* and *cooperation* among people within the same society. These values, being already well-established into the ROK's traditional history, greatly contributed to its handling of and emerging from the dreadful 2020 global situation.

CONCLUSIONS

We can learn nothing but very important behavioral lessons from the way that South Korea could implement an incredibly efficient and pervasive model to combat COVID-19. The state was *strong* in creating and enforcing the necessary rules that made it possible for people to hope for a re-appropriation of their lives in the next future. But compliance on behalf of society was crucial, and it came from years of established traditions and social norms in the country. Therefore, with the emergence of the Coronavirus pandemic, South Korea enacted the structure that I extensively delineated in this dissertation: a *strong state* – shaped from years of autocratic governments which maintained their authority thanks to the basic institutional setting that gave much of the legitimizing power to the bureaucratic and business sectors – and a *strong society* – perfectly aware and welcoming of the new collective restrictions due to the established Confucian social and behavioral traditions. Therefore, the structures and features that I hitherto explained once again came to a concrete realization in a real-day example through an emergency situation.

In the First Chapter, I set the theoretical backing and the basis on which I studied the South Korean Developmental State, stressing the peculiar importance of the bureaucratic and corporate (*chaebol*) sectors. I also treated the pre-requisites that led to the modern inclusion of the southern part of the peninsula within the NICs (Newly Industrialized Countries), with the support of key scholars in the Developmental State Theory (Johnson, Evans, Amsden, Wade).

In the Second Chapter, with the support of contemporary Korean scholars (Lew Seok Choon, Cho Lee Jay, Kim Yoon Hyung, Jwa Sung Hee), I explained how this importance concretized historically into the autocratic governments that were established right after the Liberation from years of colonization from a foreign power (1945) and the destruction of a war (1950-1953). Particularly, I introduced the cultural specificities that allowed such state to prosper and lead the country to an unprecedented government-led *economic miracle* and development that rendered the country autonomous and set the basis for a further modernization. I delineated the role of political leadership, the institutions, ideology, the historical context and, most precisely, the culture and societal traditions – which amplified the backing of the Developmental State Theory into a more

specific branch, the Confucian Developmental State. In these sense, what characterized South Korean society since its birth is the *generalized reciprocity* (a set of state-society relations and dynamics) of its population, an all-pervading feature that traces back from the socio-cultural dimension of the Confucian concept of *filial piety* and *affective networks* – fundamental ties (based on family, locality and education) of the national social capital that lead to a sort of collective effort, a precise work ethic and sacrifice for the benefit of the country. They were key-components of the implementation and support of the government-led development scheme of "support with discipline" and EOI (Export Oriented Industrialization) strategies initiated by Park Chung Hee, which transformed the society itself – from being generally weak, it became *strong*, and established a well-functioning *Confucian Capitalism*. Such traditional values became indeed institutionalized, to the point that, contrary to mainstream Western belief, they did not disappear with the democratization, nor with the liberalization, nor with the globalization that occurred later, which I outlined in the Third chapter.

There, I focused on the more historical developments of the autocratic/military governments (Rhee Syngman, 1948-1960, Park Chung Hee, 1961-1979, Chun Doo Hwan, 1980-1988) to finally transition my dissertation to the consequences of the key *1980 Kwangju massacre* and *June 1987 uprisings*: democracy. By delineating the economic features of the administration of two presidents (Roh Tae Woo, 1988-1993, Kim Young Sam, 1993-1998), I insisted on the maintenance on the aforementioned societal and structural schemes and aspects, despite the transition from "government-led discrimination" principles to a "government-led egalitarianism". I decided to stop my historical research at the 1997 financial crisis for two motives: first, the democratic instance necessary to sustain my thesis there reached its consolidation after years of transition – I just briefly mentioned the cyclical pattern that occurred in later years, with the succession of presidents and administrations from both the right and the left, but following democratic principles; secondly, I wanted to introduce a "crisis" case to highlight the resilience of South Korean society (a spirit that also led to the same democratic transition and consolidation), a feature that is derived from the structures I extensively discussed and that came to light in the case study I analyzed in the successive and final Fourth Chapter. In that instance, as I mentioned in the opening of this final section of my dissertation, I put together all the elements to show how they still pervade

South Korea today and also led to the position that it covers in the world today, giving it a status and a reputation that was recently upgraded by the exemplary way it conducted its *governance* under an unprecedented global crisis.

"South Korea has become a model for other countries for two simple reasons. First, over the past 40 years, it has been the only medium- to large-size (by population) "developing" or "emerging" economy to have increased its per capita income to the level of the advanced economies. [..] Second, South Korea has not only grown; it has also climbed the economic ladder by embracing technology. [..] South Korea today is a technologically intensive society, and that has almost certainly made a difference in the context of the pandemic, particularly when it has come to monitoring localized risks and containing the spread of the virus. [..] This improvement may or may not be a harbinger of what awaits the global economy as it recovers from a historic collapse. But it is clearly another sign that South Korea has managed the crisis well, particularly compared to the ridiculous displays of bravado, denial, and incompetence in some of the world's advanced economies. It is time for everyone to start learning from South Korea." – Jim O'Neill, Chair of Chatham House, London [244]

[244] (Direct quote from O'Neill, 2020)

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SUMMARY

The topic of my dissertation evolves around the theme of the South Korean political history over the last decades. I chose to treat this after spending six months in the country, as an intern at the Italian Embassy and Cultural Institute in Seoul and Honorary Reporter for the Korean Ministry of Culture and Tourism, just as the world started to face and adapted to the COVID-19 pandemic. The purpose of my thesis is investigating the following research question*: how can the extraordinary economic and democratic development of South Korea be explained based on the specific features that historically characterized both its society and tradition?* More precisely, how did its autocratic and Confucian background manage to survive its democratization process, characterizing today's South Korean (strong) society and (strong) state? Finally, how can a solid, developed, democratic society with high standards of living still maintain its practices and accept higher degrees of, on the one hand, individual sacrifice for the benefit of the community and, on the other, of hierarchy, of authority of the state, control and social monitoring – like those occurred under the South Korean COVID-19 model? The answer is contextual, historical, and societal. It must start by the partial refusal of Western-centric dynamics and thought patterns regarding democracy. The theoretical base I established as the backbone to sustain my thesis is the *Developmental State Theory*, which I broadened in the specificity of the *Confucian* basis of the country – seen as a State ideology, an institutional practice, and a cultural orientation thoroughly. The basic belief is that understanding the development of a country cannot be based solely on "pure" economic factors; it must comprehend a vast array of features, particularly the human capital. I answer to my research questions by dividing them into specifically two areas. During the Second chapter, I deal with the *economic development* of the state and its incredible growth in the early 1960s until the late 1970s. During that "take-off" era for progress, the military governments brought about the principles of Economic Discrimination (ED), government-led growth and export-oriented industrialization (EOI), helped both by the strong bureaucratic scheme but also by the traditional Confucian background (specifically, by the concept of *filial piety* and *affective networks*). Specifically, the latter favored a series of dynamics that established the tendency of Koreans to accumulate private savings for future investment, sacrifice, work hard, and

strive for the education of the future generations and the strong ties between the State and the Business sectors there. In the Third chapter, I outline the South Korean *democratization process* that started at the end of the 1980s, which transformed the autocratic regime into a Republic. I show how the "economic miracle" managed to overcome the instability and progressed further, albeit maintaining the same traditional societal structures and collectivist tendencies towards populism and pluralism. These, against mainstream and popular belief, are not destined to disappear, but they are dynamic and proactive for the positive change of the country – easily adaptable to new conditions (like the organization of labor movements) dramatic or emergency situations (like the 1997 Asian financial crisis or the COVID-19 pandemic) just as well. Eventually, in the Fourth and last chapter, I gather all the discussion I created into one practical and recent example: the model that the country established in 2020 to face the unprecedented COVID-19 global emergency, which gave it fame and praise from international observers worldwide, as to demonstrate how all these apparently conflicting elements (a traditional Confucian societal basis, an authoritarian and developmental past and a recently acquired democracy) can actually interplay very well in applied real situations and, above all, global emergencies.

In the First Chapter, **Theoretical framework: The Developmental State theory**,

I set the theoretical backing and the basis on which I studied the South Korean Developmental State, stressing the peculiar importance of the bureaucratic and corporate (*chaebol*) sectors. I also treat the pre-requisites that led to the modern inclusion of the southern part of the peninsula within the NICs (Newly Industrialized Countries), with the support of key scholars in the Developmental State Theory (Johnson, Evans, Amsden, Wade), an explanation of the industrializations processes that occurred in East Asia. For them, State legitimacy is derived from performance and *achievements* and a strong awareness of *national goals*; thus, this kind of government is actively seeking to foster economic development without comprehending the interests of smaller groups (as opposed to minority rights, the transparency and accountability preached by the Western "Good Governance" scholars, which South Korea reached eventually). The Developmental State can be seen as an entity that can regulate the economic and political relationships and support sustained industrialization, with the goals of long-term growth and structural change, obtained though the political management of the economy

(institutional adaptation and innovation), used to ease the conflicts that are inevitable in a process as such. All the East Asian Developmental States all present similar characteristics and ended up adopting very analogous policies: investment subsidies, low interest rates, credit rationings and price controls. They also had a common binding agent to push them towards the goal of growth: fears of war and instability and willingness to "catch up" with the rest of the world. Therefore, their first feature is the *centrality of the Statal intervention* into economic policies, which involves a pre-existing experienced *bureaucracy* able to skillfully administer the country, an *historical context* of being recently out of a war that disorganized the prewar setting, a perilous surrounding *international system* that causes consistent security threats, and the commitment to respect private propriety and the established legal order. The second most noticeable feature is economic *nationalism*, which eventually leads to *social mobilization*: the fear of dominion by foreign, Western powers contributed to the creation of a national sentiment in these countries that helped societal cohesion and ultimately resulted in being effective for the growth of the economy as well. Johnson also defines the statal control of *finance* as one of the most important aspects to define a Developmental State. Some call this system "political capitalism", as it is solely up to the state to decide how to manage profits and investments. Evans – another author who contributed greatly to the theory – stresses that the developmental bureaucracy must be "embedded" in society through a network linking all the most influential components of the state together, in a shared outlook to transformation. In this way, the bureaucracy and the government could successfully work together to obtain growth. In the Developmental State each part of a state, the political and business world (as well as society) utilized the other in an equally and mutually successful partnership, to obtain the benefits of effective production and the goal of development. In the other paragraphs of the chapter, I proceeded to list the ***Newly Industrialized Countries*** (NCIs – South Korea, Hong Kong, Taiwan, Singapore), the so-called "Four Asian Tigers" and their characteristics, their historical ***roots in war and colonialism*** and Japanese imperialism (which forced the base to later build industrialization onto), hence, as treated extensively by Johnson, the ***"path dependency" from the Japanese Developmental State*** (countries in the area overlooked what Japan could achieve and translated them into their own schemes for development), the **1993 *World Bank's East Asian "miracle" report*** (which acknowledged that East Asia

possessed some truly unique features related mostly to the role of the State but highlights the fact that there was never a true consensus regarding the dynamic of economic progress in East Asia given the high ideological stances). Finally, I introduced the specific topic of **South Korean Development** by opening the discussion over the **Confucian Developmental State**. The ROK (Republic of Korea) is a perfect example of *crony capitalism*, a system that focuses on the close relationship between the business sector, and public government officials. It manages finance through the *chaebols* – the Korean version of what were the Japanese pre-World War II *zaibatsu*, closely-related, vast, and very influential business groups which often are parts of the same family, that get enriched and powerful over time, to the extent of controlling a large part of a country's stock market and, in a way, influencing its economic choices and policies.

In the Second Chapter, **The Economic Development of South Korea,** with the support of contemporary Korean scholars (Lew Seok Choon, Cho Lee Jay, Kim Yoon Hyung, Jwa Sung Hee), I explain how the characteristics of the Developmental State (specifically, the importance of a *strong state* and business sector) in South Korea historically concretized into the autocratic governments that were established right after the Liberation from years of colonization from the Japanese (1945) and the destruction of the Korean war (1950-1953). Particularly, I introduce the socio-cultural specificities that allowed such state to prosper and lead the country to an unprecedented government-led *economic miracle* and development that rendered the country autonomous and set the basis for a further modernization. This discourse amplifies Developmental State Theory into a more specific branch, the Confucian Developmental State. What really characterized South Korean society since its birth is the *generalized reciprocity* (a set of state-society relations and dynamics) of its population, an all-pervading feature that traces back from Confucian concepts that I delineate in this chapter, the key-components of the implementation and support of the government-led development scheme of "support with discipline" and EOI (Export Oriented Industrialization) strategies initiated by Park Chung Hee. This process of institutionalization of the traditional values transformed the society itself: from being generally weak, it became *strong*, and established a well-functioning *Confucian Capitalism*. After explaining **the shortcomings of the standard political-economical explanations** (they focused too extensively on economic policies and institutions, failing to underline what was really unique about the Korean case), I quickly

shifted my focus onto the main themes, meaning the **two dimensions of South Korean development**. First, the merely the **economic** one (economic policies, industrial sectors, investment, and trade), the institutional characteristics of the Korean economy, which can be summarized in the philosophy of ***financial support with discipline***. The particularity is its effectiveness for the different management of three different areas: the trade policy, the industrial sector, and the investment arena. Since the 1960s, the Korean government helped firms in their exports by providing both informational (information on foreign markets thanks to KOTRA, the Korea Trade Agency created by the government) and financial aid, rather than simply focusing its attention on free trade (comparative advantage) dynamics. This "support" initially violated the free market principles, selectively protecting "infant" industries to better their productivity before facing international competition; at the same time, it operated a "discipline" on them by establishing periodical screenings of rent recipients and heavy tariffs or direct banks on unnecessary imports at the same time. It also provided financial support through nationalized banks and, at the same time, disciplined it through the control of the capital outflow. There was also the centralized management on the investable capital surplus of the *chaebols*, which prevented the dangers of capital flight and ensured that all surplus that the economy could produce would stay in the country. They also had to keep a minimum level of productivity and competitiveness, or they would be banished. All of this effort made promising domestic firms able to eventually become economies of scale and increased competitivity both domestically and internationally. The second dimension is the sociological one, which is first divided into its **socio-cultural** (**Confucian traditions**) aspect – the concept of ***filial piety*** (honoring the parents, the ancestors, by working on acquiring a higher status for their sacrifice) which brings to a strict *work ethic of self sacrifice* and an *enthusiasm and strive for education*, being not just a religious imperative but also the motive that drove the economic development of South Korea as its psychocultural orientation and significance, the fundamental spirit of capitalism in Korea as Protestant values were in most Western countries, the micro moral basis for change in the macro-level – not just economic progress but also, later, democratization. It is a mechanism that enacts three modern pressures for growth "from the bottom": *developmental* (the sacrifice of the children to reach a higher status in order to honor their parents) *successive* (the long-term investment in education) and *collective* (horizontal

share of responsibilities within a family and/or community). The high level of private savings on behalf of Koreans (in order to benefit their children's education) ultimately was crucial for further development. Finally, I dealt with the **socio-political** relations (the State), meaning ***the affective networks*** (the institutionalization of the Confucian values into societal structures that, through the creation and maintenance of fundamental bonds of family – blood relationships –, location – regionalism – and education – school ties – among the social capital that led to a sort of collective effort for the benefit of the country). These create a relationship of ***generalized reciprocity*** between all the members of a society (a complex web of relations between state/non state, official/nonofficial actors and sectors – state to business, business to business – which historically contributed to forming the "strong society" that came to characterize Korea), forming a strong, integrated and highly collaborative community with high levels of trust and low transactional costs for economic development. In some instances, the networks are combined with each other, as explained by the events of the democratic transition and consolidation. All in all, no matter the number of ties and their exclusivity, every citizen ultimately belongs to the biggest collective *affective network* among all, the Korean people. Finally, I connected all these elements into the bigger scheme of **Confucian Capitalism**. The roles of Confucian State is strikingly different from the Liberal one: it enforces "paternal intervention", justifying the political intervention of the center. The first objective of the Capitalist Confucian State is understanding people's needs and moral wills idealizing a harmonious situation in which everyone constructs a community that is structured as a family, where social harmony reigns above everything. This can create great communication, management, and efficiency in Developmental States. These features which later assume particular significance in politics: many graduates from the elite schools end up securing themselves positions in the government thanks to the reputation and network they acquired there, and regional ties played a big role in South Korea's democratic transition and consolidation. The domestic factor of Confucianism, its disciplinary ethos (a combination of austerity, self-control and voluntary personal restraint) and its *strong society* with diverse networks stocks of social capital ("support with discipline") also prevented the Korean state from being a predatory one during its autocracy years, to the point that it is safe to say that it is a perfect example of how Confucianist values can be integrated with capitalism. These same Confucian values

regarding everything that is public (collectiveness, sense of oneness, social cohesion, self discipline, hard work, sincerity, diligence, sacrifice) ultimately both favored the "*The Miracle of the Han River*" and drove the opposition movements that led to democratization, creating a legacy that turned out to be very useful in other emergency and tumultuous situations, such as the 1997 Asian Financial crisis or the COVID-19 pandemic.

The Third Chapter, **The South Korean Democratization Process**, deals with this fundamental transformation that the *strong* Korean state encountered during its path to modernization, and how society supported and adapted to it. Its thesis relevance is highlighting the complexity of the alternation between authoritarian and democratic elements in the recent South Korean political history. A note: civil society in South Korea did not appear just with democratization; during the *Chosŏn* dynasty, it was represented by the *Sarim*, intellectual groups of literati that are not in the state offices, whose main task was controlling and eventually blocking abuses of power on behalf of the ruling center, safeguarding the people. In later history, they changed, organizing into social conglomerates that fulfilled the new needs of society, becoming political parties, the *chaebol*, mass media, and keeping their great influential value in the sociopolitical sphere. Having said this, I focus on the more historical developments five presidencies leading to today's democracy in South Korea. First, the autocratic/military governments, **before the 1987 turn point**: The First Republic inaugurated by **Rhee Syngman (1948-1960)**, who ruled as an autocrat with much centralization of power, then followed, after the brief transition of power under Chang Myon, by the coup that brought to power General Major **Park Chung Hee (1961-1979)**. He ruled from the Second to the Fourth Republic, establishing a dictatorial management that launched the economic discrimination (ED) principle and the government-led and export-oriented (EOI) economic development of the country. During this time, South Korea exhibited a "high speed" growth for the first time, working in a close, embedded relationship with the *chaebols*. The majority of South Koreans endured long working hours with low wages and many hardships, willing to sacrifice themselves in hopes to obtain a happier and wealthier future for their children. For the first time, Korean development went against the classical notion of "*strong state and weak society*", depicting a dynamic of "*strong state and strong society*", a mutual embeddedness that is comprehended in Confucian traditions, making up the already-

mentioned, central concept of *generalized reciprocity* between the two. Compliance and sacrifice by the civil society was a fundamental part of this top-down developmental strategy, obtained through the extensively-navigated *affective networks*, with *filial piety* being the moral drive to reach economic growth. Additionally, the Park era established the ethic "of support with discipline" on bureaucracy and financial sectors. It eventually fell after the creation of the special *Yushin* Constitution with the assassination of the president himself, and Prime Minister Choi Kyun Ha was briefly named interim president by an emergency cabinet. Finally, the Fifth Republic of **Chun Doo Hwan, (1980-1988)** marked the last route of military governments and the start of the **transition to democracy** for South Korea, with the key events of the ***1980 Kwangju massacre*** and ***June 1987 uprisings***. Protesters (university students and professors), in complete Confucian tradition, were members of the intellectual sphere, but for the first time they were also joined by the "common people". They all fought against the intromission of foreign powers, the favoritism of the big *chaebols* and the military dictators. By 1979, the nation had been re-conservatized to keep control and stability and increase productivity. Therefore, when South Korea started approaching to the transition to democracy, it possessed little democratic heritage or the needed institutions in the background. This is the reason why this was one of the most difficult political journeys the country had ever had to face, obtained with great sacrifice and human loss (over 200 people died in Kwangju, including a student from Seoul National University, Park Jong Chol, who perished after a long torture; in June 1987, another student, Lee Han Yeol, from Yonsei University, died, becoming a martyr for the revolution that passed to history as "The June Democratic Struggle"). But Koreans, by the end of the 1980s, had changed their general attitudes to everyday life as well as their self-perceptions thanks to the new prosperity and opportunities given by the economic development. Therefore, I dedicate the last section of the chapter entirely to the process of **democratic consolidation**, by delineating the economic features of the administration of two presidents: first, the one who inaugurated the Sixth Republic, **Roh Tae Woo (1988-1993)**, who had been named the next president by Chun himself, a long-term friend of his since their shared training in the same military Academy – a renewed example of the crucial importance of *affective networks* in South Korean society, especially school and regional ties. During those years Korean politics and economy had been populated by the "TK" group – people from Taegu

and Kyung-book High School. The group later changed into "PK" (Pusan and Kyŏngnam High School), then "Chŏllanamdo" and Mokpo High. Therefore, albeit being also used as one of the main tools to stabilize power on behalf of authoritarian governments in the past, *regionalism* can be safely assessed as a major influence pushing for democratization consolidation in South Korea as well as the school ties. Roh finally recognized the protests of 1980 as "prodemocracy movements", consolidating the end of the transitional phase. The compromise that led to his election also marked the first peaceful transition of power in the Republican history of the country (Chun was the first president to respect his term according and to resign voluntarily). Because of his past, he was unpopular and had to push for weak, populist policies. He jumpstarted the principle of "economic democratization" and sped up the processes of both liberalization, at the expenses of the competitiveness of national firms. However, the ROK could now enjoy a more equal distribution of public wealth, more freedoms (speech, press) and political participation. The 1988 Seoul Olympic Games showcased "the miracle of the Han River" to the world. Nevertheless, by 1992, fears of a big crisis were starting to spread between South Koreans. In perfect Confucian fashion, with an eye to the community's benefit and safety, they stopped the strikes for a while. This was not a lasting resolution by the government, rather a momentary fix from a conscious society. In 1990, Roh, alongside historic dissidents Kim Young Sam and Kim Jong Pil, joined their three parties (*the three-party merger*) into a new coalition, the Democratic Liberal Party (DLP). They all had very different stances and aims but, to overcome such obstacles, they practiced the now well-known Korean sacrifice and flexibility. Finally, **Kim Young Sam (1993-1998)**, was the first civilian President (not a member of the Army). He enacted a policy process towards the end of corruption and the opening up of globalization, eradicating the 1961 five-year management plan, applying for the OECD and opening the financial market. It was the end of the "planning" and interventionist era for South Korean economics; state interference in the big business became more regulated. *Transparency* (obtained through the institutionalization of the practice of disclosing assets on behalf of public officials) and a*ccountability* (thanks to the persecution and trials of the of military governors, including Chung and Roh) became common practice for South Korean democracy. The pressures for investigations over the "irregularities of the past" would continue during the next administration, signaling a decisive cut from authoritarianist years. In the discussion

over the strictly-political history, I insist on the maintenance of the aforementioned societal and structural schemes and aspects, despite the transition from "government-led discrimination" principles to a "government-led egalitarianism". I stop my historical and economic-policy research at the ***1997 financial crisis*** because the democratic instance there reached its consolidation; the cyclical pattern that occurred in later years, with the succession of presidents and administrations from both the right and the left, followed the established democratic principles (all had a common task: to build closer alliances between the many societal elements within civil society). Secondly, I wanted to introduce a "crisis" case to highlight the resilience of South Korean society, a feature that is derived from the structures I extensively discussed and that came to light in the case study I analyzed in the successive and final chapter. As time goes on, any economic system might experience seatbacks, and the crisis that arises from that and further corrections typically tend to better it in the long term. Thus, the process of economic development and state-building that is not static but rather active and ever-changing. What I demonstrate with this chapter is that the Korean Developmental State is not a fixed unity, it could shift from an authoritarian outset onto a different reality adapting to it; ultimately, it is compatible with pluralist forms of democracy as well. In it, the sacrifice on behalf of the people is crucial, as it is the *political culture* of a country to determine the acceptation, internalization and implementation of its new institution. In the case of South Korea, contrary to mainstream belief, the new democratic institutions or the implementation of market capitalism did not undermine the functionality of the traditional culture of *affective networks*, as demonstrated by the importance of the regional and educational ties in the transition to Western-style, pluralist democracy, albeit having favored centralization for so long before. Moreover, in crisis cases, their influence might arise, as individuals tend to rely on trusted, known environments rather than uncertainty. It is possible to understand this just if we drop Western Universalism and assume a particular definition of democracy, as something that involves certain degrees of citizen involvement, participation and also bureaucratization of the state. This allows us to equalize Western democratic philosophy with the Confucian political ideology, as they both legitimize some sort of inequality and different degrees of public participation in order to steadily sustain themselves and legitimize rulers just once they are qualified to hold their political offices. In South Korea, Society and politics still operate with the

traditional Confucian structure in their backgrounds, despite having dropped many obsolete elements; they developed thanks to it but also *alongside* it. A complete eradication of them from both society, the economy, and the state, would automatically imply a complete reverse and total change of how daily Korean life is for most citizens. It is simply not possible – and even if it was, a scenario as such will still take a long time to occur.

In the Fourth and final Chapter, **A unique model to face the COVID-19 emergency**, I combine all the elements I hitherto studied to show how they still pervade South Korea today and also led to the position that it covers in the world today, giving it a status, international praise and a reputation that was recently upgraded by the exemplary way it conducted its *governance* under an unprecedented global crisis. The *strong state and strong society* dynamic as well as the Confucian way of handling emergencies (the way that society immediately reacted and shaped its response) are indeed at the basis of the unique South Korean model to face the Coronavirus pandemic. It was also supported by the policy experience that the country acquired during its economic development and democratic conduct of State management – which, however, does not completely overshadow the structure that was established during its autocracy years. Without the elements that I came to describe during my dissertation, this simply would have not been possible. I started the chapter with the delineation of the **Policies and Measures of the Model**, following the official guidelines published in a detailed book by the Korean Government. The method balances between the preventive measures and everyday life through the maintenance of an open (democratic) society rather than establishing lockdown measures – believing that, in today's highly interconnected world, such measures would have just temporarily effects but dreadful economic consequences. The three core principles of the model are: *Openness*, *Transparency* and *Creative Innovation*. Special Entry Procedures for incoming travelers were the only compulsory control measures that were adopted. Everything else involved the participation on behalf of the citizens, who were kept updated regarding every development of the situation with full transparency by the government, with daily video conferences, active discussions involving the KCDC (the Korean center for Disease Control, now KDCA, Korean Disease Control and Prevention Agency) and governmental officials to find creative solutions (like the all-Korean initiative of drive-trough or walk-through testing). These

three principles created a model that is now known as the "Three-Ts" model: *Testing* (fast laboratory diagnostic Testing), *Tracing* (meticulous epidemiological investigation and self-quarantine, simplified by the use of a precise tracing system for prevention, control and contact tracing, called SMS – Smart Management System) and *Treatment* (appropriate care for the patient). Above this, there was the creation of a data-management infrastructure for the safe sharing of data among officials and citizens, in order to trace, test and isolate all the contacts of positive cases. Regarding the allocation of resources, finally, the system managed to establish a fixed procedure that prevented unnecessary losses. I then proceeded to analyze the established economic feature in the model, the **Public-Private Partnership**, based on a study conducted by June Park and Eunbin Chung: Albeit South Korea possesses a solid Public Health system to support the model, the medical resources from the private sector were vital for its success – especially after the consistent legal framework and infrastructure established after the 2015 MERS crisis. Differently from the past, when the infrastructure system of the country was ruled in a strictly top-down manner, the government's task is now to responsibly supply private hospitals with all the necessary items, in a more interactive process compared to the past. This feature is particularly relevant if we consider that the government then shared the necessary technology to produce high-quality and fast testing kits to the private manufacturing firms and demanded them to start producing them, eventually using it both for domestic need and export. As I extensively discussed during my dissertation, the collaboration between the public and the private is a characteristic trait of the South Korean Developmental State. In the following concluding sectors, I delineate how all the other characteristic features ended up showing up and contributed to the success. I examined, respectively three elements that are shown in the model. First, the **Historical heritage: the enforcement of the measures on behalf of the *strong state* –** especially the quickness of the government's response and its activation of all the bureaucratic departments and agencies needed. Disinformation regarding the disease itself and the changes was regulated and directly confronted by the authorities; Journalists agreed on a set of guidelines to follow in order not to instill unnecessary panic into the population. The recurring exchange of ideas and dialogue between central and local administrations was essential in order to identify the most significant issues and bargain common resolutions. Second, **Confucian tradition: the civil compliance, solidarity and**

cooperation on behalf of the *strong society*. This pertains the responsible behavior that citizens acquired from the start, with little need of an actual enforcement, and also their understanding of some short-term restricting measures over personal rights such as those surrounding their privacy (the collection of data from mobile phones, credit cards, GPS, Closed-Circuit Televisions, QR codes for logging in into many facilities, allowed by the Infectious Disease Control and Prevention Act, mandatory checks of the locations of quarantined people with eventual intervention of authorities) to benefit the community first. Society in Korea showed voluntary and active participation to the Social Distancing campaigns conducted by the government. In these terms, the battle against this virus can also be seen as an individual struggle that maybe Asian societies welcomed better, given their collectivist cultural basis, favoring the public interest before the private and putting trust into national governments in emergency situations. This is showed, for example, in the practice of wearing a mask, to which the population complied without hesitation – a scenario that happened very rarely in other parts of the world. Korean society also showed farfetched maturity in their civic consciousness in diverse daily-life aspects: panic buying of necessary items (the "rush to the shelves" that happened in many countries) did not occur in South Korea. Overall, every citizen made an effort to better the situation for everyone, with really little resistance. The feeling of community, the *affective networks*, greatly contributed to this awareness and respect. Third and final element, the **democratic modernization (the building element of trust provided by *transparency*)**, enforcing the thesis according to which individuals could make conscious, responsible and preventive decisions, thanks to the government's approach to the situation other than their personal conduct. Particularly, the *transparency* of all the information and updates and the *openness* (in the form of *inclusive governance*) of the economy as the driving principles of emergency policymaking, features that played a key role as well in encouraging citizen trust and collaboration by easing their anxiety towards the new and scary situation. Many international observes pointed out that this is a signal of a very efficient democratic potential of the newly democratic nation. This approach favored another very important democratic instance: the right of movement, also connected to the right to vote, which Koreans could exercise on April 15, when the ROK became the first country to hold general elections in the pandemic. Therefore, the democratic government itself enforced the unity of the country against the hardships, not infringing on people's

freedoms. This shows that South Korea is also a very *active democracy*: it needs the legitimization and control on behalf of a very vigil and attentive citizenship – the often-mentioned civil *checks and balances*. The many revolutions that Koreans encountered during their recent history and their struggles for democracy (April 19th, The *Gwangju* Uprising, The *June 1987* Struggle, The Candlelight Revolution), all examples of how the cultural base of Koreans and their spirit render them able to join together to solve a common issue, helped shaping the maturity of civic consciousness that characterizes South Koreans nowadays and that came to light just in the recent occasion of crisis. This was shown during the 1997 Asian Financial crisis (when the "Gold Collecting" campaign on behalf of the citizens helped save the nation from the debt it contracted with the IMF), as well as during the COVID-19 emergency. The difference between the Asian and the Western citizens perhaps relies in the fact that the latter have to be convinced by the government regarding the effectiveness of the measures enacted to fight an emergency, whereas the former are substantially and relatively immediately prone to *sacrifice*, reunion and engagement in civil action collectively, in order to face it.

In less than fifty years, South Korea succeeded in coming out from desolation and war and becoming a *global economic powerhouse*. In that time span of its political history, there was the alternation of autocratic governments, the initiation (1962) of the economic development, two oil shocks (in 1973 and in 1979), a presidential assassination, great volatility in inflation rates and multiple attempts at reshaping the economy. Moreover, great social unrest and student protests (in the late 1980s), a transition and further consolidation of democracy, the rise of labor organizations and strikes and a big financial crisis in 1997. Finally, in 2020, it implemented an incredibly efficient and pervasive model to combat COVID-19. The South Korean state was *strong* – both in the *state*, shaped from years of autocratic governments and collaboration with the bureaucracy and the business sectors, and in society, perfectly aware and welcoming of the new collective restrictions due to the established Confucian social and behavioral traditions. According to the Theory I established as the guide of this dissertation, values vary according to the social structure in which they are placed: while Protestant ones in the West performed a "progressive" task (they confronted the status quo), Confucian ethics in the East assumed more of a "conservative" aspect (they were already the established philosophy). In this sense, East Asia reacted to Western imperialism in

different ways; South Korea directly embraced capitalism and its principles, but kept the centrality of the state intervention in the market. By doing so, it shaped a new concept for the "Developmental State", where the government is perfectly able to rule the market in capitalist terms while integrating society into it. In general, the East Asian developments brought about the reception of capitalism through the role of state bureaucrats doing the decision-making, an implementation of the new market philosophy from the top to the bottom (*top-down*). On the other hand, the Protestant West had the complete opposite process, with the bourgeoise having to break down the pre-existing order (feudalism) and build a civil society before embracing capitalism. In the Confucian East, civil society was born through the voluntary association (*affective networks*) that already existed and developed alongside capitalism; they served as a mobilizing factor. Hence, capitalism was not the involuntary outcome of the fight against the dominant class; it was a conscious choice, by the same ruling group. This order of things made it possible to achieve economic objectives more quickly and precisely and also rendered the best-performing firms and entrepreneurs (the Korean *chaebol)* very competing and wealthy; those who did not produce enough were automatically eliminated from the game. *Trust*, an imperative of any stable economy, was not reached through the autonomy of the market or less state intervention like in the West: statal involvement itself granted the reduction of transaction costs for specific competitive businesses. United with *affective networks*, this brought about the effectiveness of the so-called "State-business collusion", which supplied all the required confidence. Therefore, it is not reasonable to claim that counties like South Korea should finally give in to a fully Western version of capitalism, eliminating these pre-existing structures. It would be like underplaying and devaluate fifty years of a Confucian capitalism that has been assessed as one of the most lively, active, dynamic, and fruitful forms of capitalism in the world. The capitalist class in Korea will never have the same "cultural hegemony" that it holds in the West; the mediators, the "watchdogs" over the state cannot be labor unions or workers, they are rather journalists and intellectuals; the full separation between market and state will not likely happen in the next future there. But still, East Asian countries like South Korea will keep on growing and developing in their own way, as they have already showed to the world. And, considering that their current economic growth rate is higher than the world standard, it would not be irrational to think that, in the future, this might become the dominant model.