

Introduction

The Korean peninsula lies at the strategic heart of East Asia, between China, Russia, and Japan, and has been influenced in different ways and at different times by all three of them. Faced by such powerful neighbors, the Koreans have had to struggle hard to maintain their political and cultural identity. The result has been to create a fiercely independent people. If they have from time to time been divided, the pressures towards unification have always proved strong.

The most recent division in 1945, following on from some 30 years of harsh Japanese colonial rule and consolidated by a savage war between 1950–53, has led to the establishment of two very different states on the peninsula. While both retain many of the features of a more traditional Korea, they have also both taken on some of the characteristics of their respective protecting powers. The Democratic People's Republic of Korea (DPRK), or North Korea, modeled itself on Stalin's Soviet Union, while the Republic of Korea (ROK), or South Korea, looked to the Western world, and particularly to the United States. Once North Korea seemed the more successful, with a greater degree of industrialization and higher GNP than the South.

Those days have long since passed, and it is now the Republic of Korea that, despite setbacks, is the more successful of the two, in both economic and political terms. Even the Asian economic crisis of 1997–98, which hit the ROK badly, has been weathered successfully. That, taken with a steady progress towards democratization, indicates that when the peninsula is eventually reunified, as one day it will be, the new

unified Korea will follow the ROK model rather than of the DPRK.

LAND AND PEOPLE

PHYSICAL FEATURES

The Korean peninsula extends due south from northeast China (traditionally known in the West as *Manchuria*) on the Asian mainland. The peninsula and its associated islands lie between longitudes 124° and 131° east, and between latitudes 33° and 43° north. The total area of the peninsula is some 82,242 square miles (221,000 square kilometers), and is about the same as mainland Britain. The peninsula is roughly 688 miles (1,100 kilometers) long and 134 miles (216 kilometers) wide at its narrowest point. The average width is about 170 miles (250 kilometers). It is separated from China by the Yalu and Tumen rivers, and it is surrounded by the East Sea, or Sea of Japan, the Yellow Sea (West Sea), and the Korea Strait. The peninsula has a 640-mile (1,025 kilometer) border with China, and a short 9-mile (12 kilometer) one with Russia.

Today, the peninsula is divided into two Korean states along the 150-mile (240 kilometer) military demarcation line laid down in the 1953 Armistice Agreement. The DPRK is slightly the larger of the two, at 46,768 square miles (122,827 square kilometers); the ROK is 38,131 square miles (99,173 square kilometers). The demilitarized zone (DMZ) that separates the two Koreas covers an area of 477 square miles (1,253 square kilometers).

The Western name *Korea* is derived from the Koryo dynasty that ruled Korea from 936 to 1392 A.D. as a unified kingdom. The other name of Korea, Chosun, came

from the kingdom that the Yi dynasty established in 1392 and ruled over until 1910. “Chosun” can be translated as “morning freshness,” implying the land in the east (relative to China). The popular Western name, “the Land of the Morning Calm,” appears to be a misunderstanding of the original Chinese characters. It dates from the 1880s.

The peninsula is mountainous, but the west coast along the Yellow Sea and the southern coast both have low hills with some plains. In the north, the Changbaek Range and its branches cover an extensive area. The highest mountain in the Changbaek Range, which runs along both banks of the Yalu and Tumen rivers, is Mount Paektu (9,000 feet, 2,744 meters), and in the Nangnin Range, the Kaema and the Pujon plateaus constitute the “roof” of North Korea. The T’aebaek mountain chain, the backbone of the peninsula, runs almost its entire length and parallels the east coast from the eastern fringe of the Kaema plateau. In this range are found famous mountains such as Mount Kumgang, or Diamond Mountain (5,350 feet, 1,631 meters), Mount Sorak (5,600 feet, 1,703 meters), and Mount T’aebaek (5,100 feet, 1,555 meters). Running in a southwesterly direction is a branch of mountains called Sobaek, where the second highest peak in Korea, Mount Chiri (6,250 feet, 1,905 meters), is located.

Whereas the east coast generally has smooth shorelines, the west and southern coasts have extremely irregular ones with numerous bays and inlets. Most of Korea’s 3,400 islands are located near the west and southern coasts. Among the major islands are Koje and Wan off the south coast, the Chin Island off the southwestern corner of the peninsula, and the island of Kanghwa near Inch’on on the west coast. Located some 100 miles (160 kilometers) off the southern coast is Cheju, the largest of the Korean islands, created by volcanic activities, which also boasts one of the highest and most majestic

mountains, Mount Halla (6,400 feet, 1951 meters). Finally, in the East Sea are the two Korean islands of Ullung and Tok—the latter, known as Takeshima in Japanese, is also claimed by Japan.

Most major rivers flow westward into the Yellow Sea (West Sea). They are the Yalu (Amnok in Korean), the Ch'ongch'on, and the Taedong rivers in the north, the Imjin, the Han, and the Kum rivers in the south. The exceptions are the Tumen River, which flows into the Sea of Japan, and the Naktong River in the south, which flows southward into the Korea Strait. There are three major plains, one in the northwestern region, one in the west-central region, and one in the southwestern region of the peninsula.

Only about 22 percent of the land is cultivated, while the other 66 percent is mountainous or covered with forests. Most of the arable lands are located in the western and southern regions of South Korea, although a sizeable area of fertile farmlands is located in the western region of North Korea.

CLIMATE

The climate of Korea is more continental than oceanic, and there are four distinct seasons. Spring generally begins in early March, accompanied by warm breezes from the south, and lasts until the end of June with light rainfall at regular intervals. Late June and the month of July are generally the heavy rainy season with July temperatures reaching 77–85° Fahrenheit (26–30° Centigrade) in the south. The summer is hot and humid due to southern monsoon winds. Annual precipitation varies from about 24 inches (61 centimeters) in the northeast to more than 60 inches (152 centimeters) in the southern

regions.

The autumn is pleasant, starting generally from late September and ending in mid-November with the first frost. Autumn is a period of dry and sunny weather; the Koreans, like the Chinese, refer to it as the time “when skies are high, and horses are fat.” The winter begins around mid-December and lasts until February, being extremely cold in the north, where January temperatures can fall to 8°F (-17°C), or even lower in exceptional years. Owing to the influence of the surrounding seas, the winter climate in the south is not as severe. Snowfall is generally light in the lowlands and the southern half of South Korea. The mean January temperature in Seoul is 23°F (-8°C). The extreme southern area of South Korea has only very light snowfall or none at all.

THE PEOPLE

The Koreans are a homogeneous people, speaking the same language, and culturally distinct from their Chinese, Mongol, and Japanese neighbors. In 30,000 B.C., *homo sapiens* inhabited the peninsula, leaving behind numerous Paleolithic culture sites. Later on, around 3,000 B.C., certain tribal units of the Tungusic people, such as the Han, the Kaema or Koma, the Maek, and the Puyo, migrated into the peninsula from the Altai Mountain region via Siberia, Mongolia, and Manchuria, bringing with them Neolithic culture—the Ural-Altaic language and Shamanism—and became the ancestors of the present-day Koreans. Ethnologically, the Koreans belong to the Altaic family of races, which includes the Turkic, Mongolian, and Tungusic peoples. Generally, Koreans are lighter skinned than Chinese or Japanese; some see this as evidence of a Western origin.

POPULATION

The total population of Korea was about 25 million when the country was liberated from Japan and partitioned into military operations zones by the Allies in 1945. The American zone had about 16 million and the Soviet zone a little over 9.5 million people. However, with the steady influx of two million refugees from the north and another two million Koreans who returned from overseas, the population of South Korea had grown to 20 million by 1948. Since then, the population has steadily increased: 24 million in 1965, 35 million in 1975, and 42 million in 1985. In 1990, the total population of South Korea stood at 42.8 million, with a population density of 1,107 per square mile. By mid-1997, the population was estimated to be 45.9 million, and the 2001 census figure was 46.14 million. In December 2002, the United Nations Population Fund quoted a figure of 47.4 million for South Korea.

The average life expectancy was less than 45 years during the Japanese colonial period. In 1945, only 12.5 percent of the total population was over the age of 50. Since liberation, the life expectancy has steadily increased, and in 1995 the life expectancy of men stood at 69.5 and that of women at 77.4 years. At the end of 2002, it was 71.8 for men and 79.1 years for women. The population grew at an annual average rate of 3 percent up until 1960. After that time, the growth rate fell gradually, declining to 0.93 percent by 1985; it has remained about that figure ever since. The average Korean woman had 1.3 children in 2002, compared to 2.5 in 1984, 2.8 in 1980, 4.2 in 1970, and 6.1 in 1960. The disappearance of the traditional large families, and the rapid increase in urbanization in the 20th century, has had a major effect on Korean family life.

On the eve of liberation in 1945, the total urban population was about 3.4 million. It rose steadily during the industrialization of the 1960s and 1970s, and according to the 1985 census, the urban population stood at 26.5 million, representing 65.4 percent of the total population, and the rural population was 14 million, or 34.6 percent of the total. By the mid-1990s, the rural population had fallen further, to some 9.6 million. The urban population has grown at an annual average rate of five percent since 1955, while the population in the rural areas has shown a commensurate decrease. The population of Seoul grew from one million in 1948 to 10.7 million by 1990; by 2002 it had fallen back slightly to 10.33 million, though Kyonggi province, which surrounds the capital has shown huge growth (see table I.1).

Seoul's population appears to have stabilized around the 10 million mark, which represents 25 percent of the total South Korean population. The influx of the rural population into Seoul declined after 1970 and has continued to do so ever since, as there was greater population migration into cities other than Seoul due to the rise of new commercial and industrial centers. Among the cities whose population has grown rapidly in recent years are the six other special or metropolitan cities (2002 population figures given in brackets) of Pusan (3.78 million), Taegu (2.53 million), Inch'on (2.5 million), Kwangju (1.3 million), Taejon (1.4 million), and Ulsan (one million), in addition to such industrial centers as Ch'angwon, Masan, and P'ohang.

Provincial populations are as follows:

	1990	2002
Kyonggi	5.6 m.	9.28 m.

South Kyongsang	3.6 m.	3.1 m.
North Kyongsang	2.7 m.	2.8 m
South Cholla	2.1 m.	2.5 m.
North Cholla	2 m.	2.1 m.
South Ch'ungch'ong	1.9 m.	1.9 m.
North Ch'ungch'ong	1.5 m.	1.3 m.
Kangwon	1.6 m.	1.7 .m
Cheju	547,964	507,000

HISTORY

Korean history may be divided into several distinct periods. The first is the period before the rise of the Three Kingdoms: i.e. to about the beginning of the Christian era. The second covers the Three Kingdoms (57 B.C.–936 A.D.), as well as the period during which a unified Korea was ruled by the Shilla dynasty. The third is that of the Koryo dynasty (918–1392). The long fourth period (1392–1910) is the Yi dynasty, lasting until the dawn of the 20th century. The relatively short fifth period (1910–45) saw Korea under Japanese colonial rule, and the sixth, and even shorter, (1945–48) was that of the Allied occupation, at the end of which the two Korean states emerged.

BEFORE THE THREE KINGDOMS

Various groups of Paleolithic people inhabited the Korean Peninsula from about 30,000 B.C., leaving behind many Paleolithic sites throughout the land. From about 3000 B.C., groups of Neolithic people began to migrate into the peninsula. These were the Tungusic tribes who arrived from central Asia via Siberia, Mongolia, Manchuria, and the northwestern Chinese coastal regions. It was these Tungusic people who brought to Korea the Ural-Altaic language, shamanistic religion, and a Neolithic culture. Many dolmens, menhirs, different types of pottery, and a variety of stone tools unearthed in Korea attest to this fact. These new immigrants formed tribal units and built walled towns and pit dwellings.

The traditional legendary history begins in 2333 B.C., when a divinity named Tan'gun (also known as Wanggom) came to earth and became the progenitor of the Korean Race. Tan'gun is said to have formed a "nation," marking the beginning of the Old Chosun period. (Under the brief Chosun Empire, 1895–1910, and again under the First Republic, years were dated from this foundation date, which derives from Chinese records. Thus 1948 was 4281 of the Tan'gun era.) The territory of Old Chosun is said to have included the southern part of Manchuria and the northwestern part of the Korean peninsula along the Taedong River with its capital at Asadal. Many believe that Asadal was present-day P'yongyang, whose former name was Wanggomsong. Much is made of this version of Korea's early history in North Korea, since it enhances the role of P'yongyang, now the North Korean capital, in the nation. In the mid-1990s, the North Koreans even announced that they had found and excavated Tan'gun's tomb just outside

P'yongyang. Although obscurity surrounds Old Chosun and its history, it was said to have been ruled by a new ruler named Kija, a fugitive from China, and his successors from about 1120 B.C. until it was taken over by Wiman in 194 B.C., ushering in the Wiman Chosun period. Wiman too was from China.

Wiman Chosun extended its domination into the northeastern part of the peninsula, establishing the Imdun district there, and into the central region of the peninsula, where it established the Chinbon district. As Wiman Chosun rose, a tribal state named Chin emerged in the southern region of Korea. The state of Chin founded by the refugees from Old Chosun eventually gave way to the rise of the three federations of the Han people, namely Mahan in central Korea, Chinhan in the south eastern region, and Pyonhan in the south central coastal region.

In 190 B.C., Emperor Wu of the Han dynasty of China invaded Korea, and after overthrowing Wiman Chosun in 108 B.C. he established three Chinese commanderies (military colonies), Lolang (Korean name Nangnang), Chenfan (Chinbon), and Lintu'un (Imdun) in the Korean peninsula, and a commandery named Hsungt'u (Hyont'o) in southern Manchuria along the lower Yalu River region. The Chinese commandery of Lintu'un was soon overthrown, and was replaced by two Korean states named Okcho and Eastern Ye in the northeastern region.

THE PERIOD OF THE THREE KINGDOMS

In 37 B.C., a new state, Koguryo, formed by the Yemaek tribes that had emerged in the central region of Manchuria, conquered the state of Puyo, located in the northwestern region of Manchuria. From there, Koguryo extended its territory into the Korean

peninsula with its capital at Kungnaesong (T'ungkuo) on the middle region of the Yalu River. After conquering both Okcho and Eastern Ye during the first century, Koguryo became a recognizable political entity in the third century. In 313, Koguryo first overthrew the Chinese commandery of Lolang, and then a new Chinese commandery of Taifang (Taebang), which was established around 204 A.D. After this, Koguryo moved its capital from Kungnaesong to Wanggomsong (now P'yongyang) in 427, controlling most of the northern half of Korea and the southern part of Manchuria.

As political changes took place in the north, a political metamorphosis also occurred in the southern part of Korea as the state of Saro emerged in the Chinhan area in 57 B.C. and the state of Paekche in the Mahan area in 18 B.C. In the meantime, Pyonhan split into several Kaya states. The state of Saro eventually absorbed other areas of Chinhan, establishing the Kingdom of Shilla in the third century. Paekche did likewise in the Mahan area, becoming an established kingdom in the third century and extending its territory into the southwestern region of Korea. Six Kaya states located in the lower reaches of the Naktong River failed to coalesce into a state, and they were taken over one by one by Shilla in the sixth century. With the rise of Koguryo in the north, Shilla in the southeast, and Paekche in the central region of Korea, the "Three Kingdoms" period in Korean history began. The consolidation of state power also ushered in a long period of warfare between them.

From the end of the sixth and in the early seventh centuries, Koguryo was engaged in frequent warfare not only against Paekche and Shilla, but also against Chinese forces of the Sui and Tang dynasties. Meanwhile, its rulers were also faced with serious internal disunity. Paekche also encountered numerous internal problems. Shilla, however,

increased its economic and military strength, thanks to the political and military leadership provided by able bureaucrats and military leaders.

Shilla, in alliance with the Tang forces, destroyed first Paekche in 663, and then Koguryo in 668, thus unifying approximately two-thirds of the Korean Peninsula. When Koguryo fell, its territory in western Manchuria was taken over by China, which established a puppet state named “Lesser Koguryo” in that area. Koguryo’s eastern territory in both Manchuria and north east Korea was invaded by nomads named Khitans and Jurchens. However, a Koguryo general who fled after the fall of Koguryo to eastern Manchuria with a large number of followers established a new kingdom of Chin in 698 (renamed Parhae in 713) whose territory covered the former Koguryo territories in eastern Manchuria and what is now north eastern Korea.

Shilla was able to prevent the re-establishment of Chinese control in the Korea Peninsula, but it encountered growing internal problems, and in 892 a rebel leader established “Later Paekche” in the former Paekche territory in the southwestern region of the Korean peninsula while another rebel established “Later Koguryo” in 898 in the central region. Once again Korea entered into a brief period of division, known to historians as the “Later Three Kingdoms.”

During the earlier Three Kingdoms period, an agricultural economy developed rapidly in the southern region. At the same time, Chinese cultural influence grew in Korea as Buddhism, first introduced in the fourth century, flourished in Paekche and Shilla. As Chinese influence increased, the political system of the Korean kingdoms evolved into a centralized bureaucratic rule under the monarchy, mirroring that of China. This political change also brought about social changes, establishing a new class

structure dominated by the aristocracy. While Confucian learning spread, leading to the rise of educational institutions and scholarship, Buddhism also developed rapidly, bringing new art, architecture, crafts, music, dance, and scholarship. Thus, Korea became a cultural satellite of China.

THE KORYO PERIOD

In 918, Wang Kon, a general of the Kingdom of Later Koguryo, rebelled against his lord and, after overthrowing Later Koguryo, established his own dynasty and a new kingdom named Koryo with its capital at Song'ak (now Kaesong). Soon after the last king of Shilla surrendered to Koryo in 935, Koryo conquered Later Paekche in 936, reunifying Korea, this time without the aid of a foreign power. Gradually, Koryo extended its territory up to the Yalu River region in the west and near Hamhung in the east. After incorporating Cheju Island into the kingdom, Koryo ruled the entire Korean peninsula except the northeastern region from the early 12th century.

The Koryo dynasty adopted the Chinese model of political structure, including the executive organ called the Secretariat of State Affairs, which had six boards (ministries). It also adopted the Tang code as well as the civil examination system to select qualified civil and military officials into the centralized bureaucracy. With the adoption of a new land system, farmlands were distributed to meritorious persons, and civil and military officials of high rank were given stipend lands, creating a new pattern of absentee landlordism. Meanwhile, a social structure emerged with a new landed gentry class at the top, which was cushioned by a class of petty functionaries in the central and local bureaucracies. The commoner class included the artisans, the merchants, and the peasants

(*paekchong*). At the bottom were the low-born (*ch'onmin*), a class that included mostly slaves and domestic servants.

While the Koryo dynasty nurtured Confucian learning and scholarship, establishing many new educational institutions, it nevertheless made Buddhism the state religion and contributed toward the further development of Buddhist culture in Korea. However, it also encouraged a harmonious relationship between Buddhism and the native shamanistic religion. A significant cultural and technical innovation was the production of good quality wooden printing blocks, printing many books, including the 81,137-page *Tripitaka Koreana* (*Koryo Taejanggyong*) in 1251. Among the many history books published were the *History of the Three Kingdoms* (*Samguk sagi*) by Kim Pu-sik and others in 1145, and that of Monk Ilyon entitled *Memorabilia of the Three Kingdoms* (*Samgak yusa*) in 1281. These are the first written accounts of the history of the Korean peoples produced in the peninsula itself.

The Korean Peninsula suffered Khitan invasions in 993 and 1018 and a Jurchen attack in 1104. Meanwhile a power struggle between the civil and military officials in the 12th century led to the rise of the military dictatorship of the Ch'oe clan in the late 12th century. This, together with numerous slave and peasant uprisings, weakened the political structure and brought about the decline of the Koryo dynasty. The most serious threat to the Koryo dynasty occurred in the 13th century when the Mongols invaded Korea several times between 1231 and 1270, making the country a vassal to the Mongol empire. When the Koryo court surrendered to the Mongols, a rebellion of Korean military units called Three Elite Patrols (*Sambyolch'o*) erupted against both the Koryo court and the Mongols. The rebels fled from Kanghwa Island to the island of Chindo, off the southwest tip of the

peninsula, but they were again forced to flee to Cheju Island. There they made their last stand in 1273.

The Mongol invasions, and the failure to deal with them, destroyed the legitimacy of the Koryo dynasty. But in the fighting, countless cultural properties such as temples, pagodas, books and wooden printing blocks were also lost. Much property was destroyed. In what turned out to be the two futile attempts of the Mongols to invade Japan in 1274 and 1281, Korea lost several thousand sailors, soldiers, and skilled craftsmen.

THE YI DYNASTY

In 1388, a Koryo general, Yi Song-gye, who subscribed to an anti-Mongol and a pro-Ming (China) policy, carried out a coup, taking control of a government already in disarray. When he met opposition to his reform measures, he overthrew the Koryo dynasty and established his own Yi dynasty (1392–1910). The kingdom was renamed *Chosun*. The capital was moved from Songdo (now Kaesong) to Seoul, to a site chosen because of its central and defensible position. Conquering the northeastern region of Korea, the Yi dynasty brought the entire Korean Peninsula under its control and strengthened its national defense. However, the Yi dynasty maintained Korea's vassal links to China, where the native Ming dynasty had overthrown the Mongol Yuan dynasty in 1368. These links would continue under the Manchu Qing, which overthrew the Ming dynasty in 1644.

The Yi dynasty established an elaborate bureaucracy completely patterned after

the Chinese model, introduced many new laws, adopted neo-Confucianism as a state creed, and promoted educational development for Confucian learning. It fully adopted the Chinese civil examination system, and reconstructed the social structure of Korea. The kingdom was divided into eight provinces governed by the central bureaucracy in Seoul through provincial governments. A Privy Council and State Council headed the central bureaucracy; the latter was the executive branch of the central government. This had six boards (ministries) of Personnel, Rites, Revenue, Punishment, Public Works, and Military. The Office of the Inspector-General and the Office of the Censors played important roles in controlling the behavior of the monarchy, the bureaucracy, and the bureaucrats. The top military organ was the Five Military Commands Headquarters.

The social structure of Yi dynasty Korea was similar to that of the Koryo period. The upper class was called *yangban*, which included high-ranking civil and military officials (scholar-gentry known as *sadaebu*) and their families. Petty functionaries in the central and local government were called the “middle people” (*chung'in*); the commoners were called *sangmin* or *sang'in*, a class which included the free peasants, the artisans, and the merchants in that social order; and at the bottom was the class of low born (*ch'onmin*) people. As before, the last group included slaves, domestic servants, and others who were engaged in unclean or undesirable professions such as butchers, undertakers, and public entertainers.

With the adoption of Neo-Confucianism as a state creed, the Yi dynasty rejected the Buddhism that had been favored under Koryo. Now Buddhism was relegated to be the religion of the rural masses. The monasteries with their monks and nuns were banished from the cities, to be established in remote mountainous areas. Shamanism,

widely practiced by the people, was allowed some tolerance. Even at court, it was not unknown for the royal ladies to consult the shamans, whatever the official line might be. Along with the creation of the Korean alphabet (*Han'gul*) in the middle of the 15th century, the government of the Yi dynasty brought about a tremendous cultural upsurge. Scholarship was encouraged, as was the creation of educational institutions from the primary to university levels for Chinese and Confucian studies. Meanwhile, folk culture also flourished, as new forms of poetry (*sijo*), genre painting, and popular literature developed rapidly.

However, serious political instability developed. There were several causes: power struggles between the monarch and the bureaucracy controlled by the Confucian scholar-officials known as *sadaebu*, several purges of certain scholars carried out by the kings in the late 15th and early 16th centuries, and factional strife between several politically ambitious groups of scholars. Korea also suffered heavily from the Japanese invasions (“seven-years’ war”) of the 1592–98 period and from Manchu invasions in 1627 and 1636. Numerous rebellions and uprisings in the 17th century created serious economic and social problems from which the Korean government found it hard to recover. Two reform-minded monarchs, Yongjo (1724–76) and Chongjo (1776–1800) adopted reform measures, including tax reform, but they were unable to restore national strength after the disastrous Japanese and Manchu wars, and they could not re-establish political morality and social stability.

This unrest continued into the next century. Popular uprisings occurred in 1811–12 in the northwest, and in 1862 in the southern region. The various reform measures proposed by a new breed of Confucianists known as *Sirhak* (“Practical learning”)

scholars in the 18th and early 19th centuries fell upon the deaf ears of conservative Neo-Confucian scholars and policy makers.

Korea was thus in a hopeless state when a young boy was put on the throne in 1864 as King Kojong, succeeding an uncle who died without an heir. The boy-king's father was selected to be his regent with the title of *Taewon'gun*. The regent was not only ambitious to strengthen his son's monarchical power, but also to recover the prestige and glory of the Yi dynasty. Therefore, he launched various reform measures and made plans to reconstruct palace buildings that had been destroyed by the Japanese during 1592–98. However, these reform measures antagonized reactionary Confucian scholars and conservative officials, and new taxes and coinage antagonized the commoners. In the end, he was forced to relinquish the regency in 1873, leaving his inept son under the shadow of his wife, Queen Min, and other ladies and their relatives in the court.

From the 1850s onward, Korea, described by some in the West as the “hermit kingdom,” was under pressure from the Western powers to open its doors for trade. But it was Japan, itself newly opened by Western pressure in the 1850s, which forced Korea to establish a new relationship by signing a diplomatic and commercial treaty in 1876. The signing of this treaty was followed by the conclusion of diplomatic and commercial treaties between Korea and the United States in 1882 and with other Western powers in the following years. But while the treaties treated Korea as though it was an independent state, there remained ambiguity about the relationship between Korea and China, ambiguity that the Western countries sometimes contributed to, since they regularly consulted China on Korean affairs.

The opening of Korea to the West brought forth a group of nationalist reform

advocates who were collectively called *Kaehwadang*, or the “party of the Progressives.” The king, who became fond of the Americans, was willing to adopt a new policy and modernize his kingdom. Thus, a new era of national reconstruction began after 1881. However, the growing power struggle between conservative and progressive officials, together with increasing international rivalries among the Western powers in Korea, led to serious political disturbances and social problems. Among these were a military insurrection in 1882, an attempted coup d’etat carried out by the Progressives in 1884, and the Tonghak Uprising, whose adherents were a mixture of a religiously rebellious group and the poverty-stricken and socially mistreated people, including the peasants, in 1893–94.

The first serious international conflict that developed in Korea was that between China and Japan. China refused to disclaim suzerainty over Korea and recognize it as a completely sovereign and independent nation. The Japanese challenged both Chinese political claims and China’s economic position in Korea, leading eventually to the Sino-Japanese War of 1894–95. After removing Chinese domination over Korea, the Japanese in turn increased their encroachment on the peninsula, leading the Korean government to seek Russian aid.

Korea’s growing ties with Russia increased Japan’s apprehension for its national security in the face of growing Russian expansionism in Manchuria and Korea. At this juncture, the Independence Club and other reform advocates emerged, preaching self-oriented national regeneration, cultural modernization, and the strengthening of national independence. However, the Korean government was both unwilling and unable to adopt such policies. Russo–Japanese friction increased, culminating in the Russo–Japanese War

of 1904–1905. Like the earlier Sino–Japanese War, much of the fighting took place on Korean soil, allowing the Japanese increasingly to establish domination over the peninsula. In 1905 when Japan defeated Russia, Korea became a Japanese protectorate, with a Japanese Residency-General (*Tokanfu*) superimposed on the Korean government. In 1910, after the assassination in 1909 of the Resident-General and Japanese elder statesman, Ito Hirobumi, by a Korean, Japan annexed Korea, ending the rule of the Yi dynasty as well as any hopes for Korean independence

THE JAPANESE COLONIAL PERIOD

During the Japanese colonial period (1910–45), Korea was ruled by a central government named the Government-General of Korea (*Chosen Sotokufu*). This was effectively a military bureaucracy normally headed by a Japanese army general on active duty. Despite the Meiji Emperor’s Imperial Rescript on Annexation, which promised the extension of the “benevolent rule” of the Japanese emperor to Korea, the Japanese imposed military rule there, referring to Korea as a *gaichi* (“outer land”), and treated it as a colony rather than an integral part of the empire. The Koreans were given no constitutional protection and had no voting rights or voice in politics. The Japanese referred to the Koreans as *senjin*, a derogatory Japanese term for “the people of Chosun.” Social integration between the Koreans and the Japanese was nonexistent and intermarriage between them was rare.

In the beginning of their colonial rule, the Japanese made vigorous efforts to suppress and stamp out Korean nationalism. To achieve this end, they closed down all

Korean newspaper presses and magazine companies, shut down hundreds of private schools which were allegedly engaged in anti-Japanese activity, outlawed the teaching of Korean history, confiscated all Korean history books, and forbade the publication of nationalistic books and magazines. After this, they proceeded to appropriate farms and forests, forcing hundreds of thousands of Korean farmers into tenancy agreements.

After suffering humiliating Japanese colonial rule for 10 years, in 1919, the Koreans launched independence movements at home and abroad. In February 1919, Korean students in Japan wrote a “Korean Declaration of Independence” and began a campaign calling for an independent Korea. Shortly after, 33 important figures, in Korea promulgated another “Declaration of Independence,” which led the Koreans of all classes, sexes and ages to demonstrate their desire for independence in a peaceful manner. The culmination of these developments was the March First Movement (*Samil* or 3–1 movement) in 1919 for national independence. Over two million Koreans were reported to have participated throughout the country in demonstrations against the Japanese.

The Japanese response was fierce. The March First Movement was crushed and its leaders, along with thousands of those who participated in the demonstrations, were imprisoned. Several hundred people were killed, and hundreds of nationalists were forced to flee from their native land. In April 1919, a group of Korean nationalists in Shanghai in China established a “Provisional Government of Korea” with Dr Syngman Rhee, once a political prisoner under the Yi dynasty, then in the United States, as premier (later president). After that, in cooperation with other nationalists in Korea and elsewhere, they continued to sustain Korea’s national liberation movement.

The efforts made by the Korean nationalists at home, including students, were fruitless, but the relentless resistance that the Japanese continued to encounter, together with some degree of international pressure, convinced them that Korea could not be ruled by force and intimidation alone. The harsh rule of the early years was relaxed somewhat after 1920, and Koreans were allowed to establish newspapers and other publications. Some efforts were also made to associate more Koreans with the Government-General, but senior positions at all levels of the bureaucracy continued to be reserved for Japanese.

During the colonial period, the modernization of Korea began. It was a process to which Koreans made both voluntary and involuntary contributions, as did various Japanese policies and plans. First of all, the Japanese replaced old laws and administrative and judicial systems with new ones. They also developed the Korean economy so as to strengthen the power of their empire. The result was the appearance of modern financial and commercial institutions, along with a variety of industrial establishments. Although inadequate, education was transformed, as both public and private schools grew in number. Communication and transportation systems were modernized, with the installation of telegraph and telephone networks, construction of more railways and highways, and improvement in harbor facilities.

However, Koreans paid a high price for those changes. Japanese capitalist firms (*zaibatsu*) ruthlessly exploited natural and human resources. The Japanese appropriated rich farmlands and forests, and increasing rice production only helped the Japanese rather than the Koreans as an increasing amount of rice was shipped to Japan. Korean workers' wages were low, working hours were long, and working conditions were poor. If Korea was "thriving," as the Japanese said, it was "thriving" only to enrich Japan. Korean youth

lagged far behind the Japanese in regard to educational opportunities. It was Japanese policy not to educate too many Koreans or train Korean scientists and technicians. Indeed, the lack of educational opportunity kept the rate of illiteracy as high as 75 percent even at the end of the Japanese colonial period.

Then, in 1937, the Japanese Government-General in Korea adopted various programs and policies to Japanize the Koreans in order to make them “loyal imperial subjects.” To do so, it launched what is called the *Kominka undo* (“Movement for the Conversion of the Koreans to be Imperial Subjects”). Koreans were forced to adopt Japanese-style family and given names, memorize and recite the “Pledge of the Imperial Subjects,” and speak only Japanese in public. The teaching of the Korean language was first discouraged, and in 1938 Korean language instruction was abolished altogether. Even the ministers of churches were ordered to deliver their sermons only in Japanese. The Koreans were forced to abandon their traditional white clothes and to become followers of the Japanese Shinto religion. In essence, this was an attempt to wipe out Korea’s ethnic identity and nationalist consciousness.

Without giving any political rights and social equality to the Koreans, the Japanese mobilized more than two million workers after 1937 and shipped about half of them to factories and mines in Japan. Tens of thousands of Korean youths as well as college students in Korea and Japan were drafted into the Japanese army and navy during World War II, and several thousand Korean women were forced to go to the war fronts in China and elsewhere as “comfort women” to provide sexual service to Japanese troops. Little wonder then why most Koreans remained anti-Japanese to the bitter end as the savage war between the Allies and Japan was being waged in the Pacific area.

Liberation, Partition, the Allied Occupation, and the Birth of the Republic of Korea

In November 1943, the United States, Great Britain, and China held a conference in the Egyptian capital, Cairo, on the progress of World War II. In a communiqué released on 1 December 1943, they stated that “mindful of the enslavement of the people of Korea” under Japanese colonial rule, the three Allies had resolved “in due course Korea shall become free and independent.” The Soviet Union later acceded to this Cairo Agreement.

As agreed at a further allied meeting at Yalta with the United States and Great Britain in February 1945, the Soviet Union declared war on Japan on 8 August 1945. At once, Soviet troops moved into Korea, and within a short time, most of the northern half of Korea was under their occupation. At this juncture, the American government proposed the partition of Korea into two military operational zones along the 38th parallel line—the area south of the line as a United States zone and the northern area as a Soviet zone—in order to prevent the Soviet occupation of the entire Korean Peninsula. The Soviet Union accepted this arrangement, even though it gave the Americans control of Seoul, the capital.

Realizing in early August 1945 that the emperor was ready to capitulate to the Allies, the Japanese then Governor-General in Korea became concerned about the safety of the Japanese in Korea. As a result, he made an attempt to establish a transitional government in Korea in the hands of a group of prominent Korean leaders, hoping this would prevent possible anti-Japanese retaliation and allow time to make arrangements for safe repatriation of Japanese subjects. After failing to secure the cooperation of a right-

wing nationalist leader, the Japanese turned to Yo Un-hyong, a well-known left-wing nationalist leader, who had formed a secret “Alliance for Korean Independence” in 1944.

When approached by the Japanese, Yo laid down five conditions before the transfer of major governmental functions to his organization in order to preserve law and order, to prevent political chaos, and to establish a Korean government according to the wishes of the people. These conditions were: (1) immediate release of all political prisoners; (2) non-interference by the Japanese in his activities for national reconstruction; (3) freedom to organize student and youth corps; (4) freedom to organize labor unions; and (5) guarantee of a three-month supply of food.

Yo’s conditions were met on 15 August, the day Japan surrendered to the Allies, accepting the unconditional surrender terms included in the Potsdam Declaration of July 1945. On 16 August, with acceptance of his conditions by the Japanese, Yo organized the “Committee for the Preparation of National Reconstruction” (CPNR), which immediately began to function as a government with its own public security units. The CPNR organized provincial, district, and local committees to maintain law and order.

Learning on 2 September that the Allies’ plan was to partition Korea into two military operational zones, the CPNR called a “National Assembly” of some 1,000 delegates. On 6 September, this body established the “Korean People’s Republic” and a cabinet. Dr Syngman Rhee, still in exile in the United States, was appointed chairman, and Yo Un-hyong was appointed vice-chairman of the Republic. Ho Hon, a prominent leftist, was named premier. Most cabinet ministers appointed were well-known right-wing nationalists.

In the northern half of the peninsula, Soviet forces recognized the legitimacy of

the People's Republic. The American occupation authorities, arriving in Korea on 7 September 1945, the day after its formation, did not. After accepting the surrender from the Japanese Governor-General, General John R. Hodge, commander of United States occupation forces in Korea, outlawed the People's Republic, and established the United States Army Military Government in Korea (USAMGIK). Meanwhile, exiled political leaders returned to Korea from China and the United States. In the northern half of the peninsula, a contingent of Korean communist troops under Kim Il-sung arrived with the Soviet forces, followed by Korean communist troops from the Yan'an (Yenan) area in China in late December.

In the south, the freedom of assembly, speech, religion, and the press granted by the American military government in the fall of 1945 resulted in the proliferation of political parties of various political and economic orientations, and many social and labor organizations of various ideological persuasions, as well as newspapers and magazines. Among the major political parties that emerged in the South were the Korean Democratic Party, the Korean Independence Party, and the National Council for Rapid Realization of Korean Independence, all of which represented the conservative nationalist camp, while the Korean Communist Party and the People's Party, represented the leftist camp. In the North, there were similar developments, leading to the rise of a branch of the Korean Communist Party as well as the right-wing nationalists' Korean Democratic Party, and *Ch'ong'udang*, a political/social organization of the religious group Ch'ondogyo (formally *Tonghak*). However, in early 1946, the Soviet forces and Korean communists broke up these right-wing organizations.

Although the right-wing groups were more concerned with political matters, the

communists were quick to take advantage of a favorable situation for the promotion of socialist and labor movements, and they established subordinate groups of the Korean Communist Party such as the General Council of Labor Unions (*Ch'onp'yong*) in November 1945, the General Federation of Farmers' Unions (*Chon'nong*) in December 1945, the General Alliance of Korean Women (*Chosun Punyo Tonghaeng*) and the Alliance of Korean Youth (*Chosun Minju Ch'ongnyon Tongmaeng*, or *Minch'ong*) in the spring of 1946. All of these leftist organizations in the South were broken up in 1947 when the American military government cracked down on them for their illegal activities. The right-wing organizations in the South belatedly formed labor unions in late 1945. In March 1946, they formed the General Alliance of the Laborers for Rapid Realization of Korean Independence.

From 16–26 December 1945, the foreign ministers of the United States, Great Britain and the Soviet Union met in Moscow and adopted the Moscow Agreement. This provided for the formation of a U.S.–USSR Joint Commission, consisting of the occupation authorities of the two powers, for the purpose of establishing, in consultation with Korean leaders, an independent nation of Korea and its government. They also agreed to put this Korean government under a five-year trusteeship of the four Allies (the United States, Great Britain, China, and the Soviet Union).

When the news of the Moscow Agreement reached Korea on 29 December 1945, all Koreans, including the communists, opposed the trusteeship plan, and violent anti-trusteeship demonstrations swept the country. Then, suddenly, the communists in both zones changed their stand in favor of the plan, polarizing the Korean people; bloody clashes between the Rightists and the Leftists ensued in both zones. In March 1946, in

the midst of a chaotic political situation, the U.S.–USSR Joint Commission was formed to carry out the Moscow Agreement. The first session of the Joint Commission was held in Seoul in March–May 1946, but it was unable to achieve its primary objective when the Soviets refused to talk with the right-wing leaders, condemning them as “undemocratic” because of their opposition to the trusteeship plan. It became clear to the United States that the Soviet Union intended to establish a national Korean government dominated by the leftists, if not completely in their hands. Witnessing the difficulties which the Joint Commission had faced, in October 1946 Kim Kyu-shik, a moderate nationalist, and Yo Un-hyong, a moderate leftist, organized the Coalition Committee for Cooperation between the Rightists and the Leftists in order to unite the strength of the middle groups and establish “a democratic transitional government” in accordance with the Moscow Agreement. In May 1947, the second session of the Joint Commission met in P’yongyang after a lengthy recess, but it failed to achieve any agreement, and in June the Commission’s business was suspended indefinitely.

Realizing that the establishment of Korean unity and a national government by the Joint Commission was a remote possibility, the American occupation authorities adopted new plans for “Koreanization” of the American military government. In December 1946, the South Korean Interim Legislative Assembly (SKILA) replaced Korean advisory “Democratic Council,” which had been set up in February 1946 by Gen. Hodge. Then in June 1947 the South Korean Interim Government (SKIG) was established to assist the American military administration. Meanwhile, the Soviet forces in the North, after arresting nationalist leaders, proceeded to establish a puppet regime under Kim Il-sung, and began to implement economic measures to produce a socialist

North Korea.

In September 1947, unilaterally discarding the Moscow Plan, the United States placed the Korean question before the United Nations. In November 1947, the United Nations General Assembly adopted a resolution establishing the United Nations Temporary Commission on Korea (UNTCOK). UNTCOK was authorized to conduct a national election in Korea to create a national government for the whole peninsula to end the Allied occupation.

This United Nations decision on Korea was welcomed by the United States and by most people in Korea, but the Soviet Union did not accept it and would not allow UNTCOK to function north of the 38th parallel. It soon became apparent that the United Nations plan would not work in the whole of Korea, and UNTCOK adopted an alternative plan to hold elections in those areas where it was possible, namely in South Korea only. It was assumed by UNTCOK that UN-sponsored and supervised elections would be held in the North in the near future, that a National Assembly created by two-thirds of the Korean people in the first democratic elections in Korea would represent the entire country, that the government would be that of all Korea, and that the people in the North would elect their representatives to the national assembly later.

While the right-wing nationalists in Rhee's camp welcomed this plan, moderate and progressive nationalists, such as Kim Kyu-shik, as well as extreme right-wing nationalists, such as Kim Ku, vehemently opposed it, fearing that it would turn the temporary division of Korea into a permanent political partition. In an effort to prevent such a development, they visited North Korea in April 1948 and talked with the communist leaders there. They failed, however, to achieve their objective, which was for

Koreans themselves to solve the Korean question, primarily because of Kim Il-sung's refusal to cooperate.

The Soviet authorities in the North had already begun to transfer power to the Koreans and to introduce a Soviet-style government in North Korea. The North Korean Provisional People's Committee had been established in February 1946 as the central authority in the North and a People's Assembly was established in February 1947 as North Korea's legislative body. Unlike their counterparts in the South, these administrative and legislative organs exercised great authority. In 1948, a People's Army was formed in the North.

On 10 May 1948, a month after a communist-inspired rebellion broke out on Cheju Island, United Nations-sponsored elections were held in the South, electing members of a Constituent Assembly. About 7.5 million people, or 75 percent of the eligible voters cast their ballots in the first democratic elections (although bloodshed accompanied the process) and elected 198 of 200 representatives to the National Assembly for the South, while 100 seats were left vacant to be occupied in the future by the representatives elected in the North.

The Constituent Assembly drew up a democratic constitution for the Republic of Korea. It elected Syngman Rhee as the first president of the Republic and Yi Si-yong as vice-president for a four-year term of office. On 15 August 1948 the Republic and its government were inaugurated. Rhee took the oath of office as president, and the U.S. occupation of South Korea came to an end.

Meanwhile, in the latter part of August, the communists in the North held an election and established a new Supreme People's Assembly, which adopted a

constitution, named the northern half of Korea as the Democratic People's Republic of Korea, and elected Kim Il-sung premier of North Korea. The communist Republic and its government were inaugurated on 9 September, ending the Soviet occupation of the North.

The rival regimes in divided Korea made conflicting claims for political legitimacy, each declaring that the entire Korean Peninsula was its national territory. South Korea's claim to legitimacy was based on the fact that the Republic of Korea was established by a majority of the Korean people under a United Nations resolution and UN supervision, and that the United Nations General Assembly recognized it in November 1948 as "the only and lawful government in Korea." North Korea, for its part, claimed that "all the Korean people" had established the Democratic People's Republic of Korea by elections North and South. It was claimed that in addition to the elections held in the North, underground elections were also held in the South. These "elections" had returned 360 delegates to the 572-member Supreme People's Assembly, in a turnout of 77.8 percent of the eligible voters in the South. Needless to say, no such elections had been held in the South.

The growing distrust and antagonism between the United States and the Soviet Union, which created the Cold War between East and West, together with the inability of the Allies to carry out their previous agreements, led to the establishment of two separate states in Korea with conflicting ideologies and systems, opening a tragic chapter in the history of the Korean people.

The Republic of Korea

The history of South Korea began in a turbulent domestic and international environment, and the many tragic events that took place in the Korean Peninsula shaped the particular character of South Korean society as it is today. The original aim of building a democratic country was soon overwhelmed by many unfortunate circumstances. These included the traditional bureaucratism, which the government exercised, the Korean War, and the lack of experience in self-rule. The South Korean people's desire for democracy took a long time to be fulfilled; it was only in the 1990s, after a hard struggle, that South Korea could be described as a democracy. Despite that, various efforts made by the government and the people eventually brought about remarkable progress in cultural, economic and social development, dramatically modernizing South Korean society.

The First Republic, August 1948–April 1960. The foundation of the Republic had hardly settled down when a communist-inspired military rebellion broke out on 19 October 1948 in the Yosu and Sunch'on areas in South Cholla Province, followed by another in Taegu, North Kyongsang Province, on 2 November. Both were crushed but they demoralized the nation and encouraged the repressive character of the government. Democratic aspirations suffered as the government became increasingly autocratic with the passage of the National Security Law in November 1948. Despite the growing fear of further communist uprisings and possible North Korean invasion, the United States troop withdrawal from South Korea was completed in June 1949, leaving behind an infant South Korean defense force of some 50,000 men. Although a group of 500 American military advisers remained in South Korea to help train South Korean troops, the latter were inadequately equipped, having neither fighter aircraft nor bombers, nor tanks, nor

naval craft. They had been given only training aircraft and ships, and they were equipped with light arms, mostly those that had been surrendered by Japanese troops. The newly established Officers' Training School was yet to function fully, and the complete annihilation of communist guerrillas in the mountainous south central regions was yet to be achieved. As the new nation faced this difficult situation, tension mounted. An army officer's assassination of the rightist leader, Kim Ku, and the arrest in October of some 16 National Assemblymen under the recently passed National Security Law for alleged collaboration with communists, made the situation worse.

Although there was little publicity, military clashes between troops of North and South Korea had been taking place along the 38th parallel as both sides jockeyed for position. On 25 June 1950, a Sunday, North Korea launched a surprise attack at 04.00 hours. Some 80,000 well-trained North Korean troops, supported by Soviet-built tanks, crossed the 38th parallel and invaded South Korea to annex what North Koreans called "the southern half of the republic." Many South Korean army units were on weekend leave, and were totally unprepared for the sudden attack. Three days later, the North Koreans captured Seoul and pushed southward. Neither the South Korea army nor small units of American troops, hastily sent back to Korea from Japan, were able to check the advance of the aggressors.

Responding to an appeal made by the United States, the United Nations Security Council, in the absence of the Soviet Union, condemned North Korea as an aggressor, and organized a United Nations' force, consisting of troops contributed by 16 member nations, to assist South Korea. Meanwhile, North Korean troops occupied most of South Korea, leaving only the southeastern corner of the country along the Naktong River—the

Pusan perimeter—unoccupied. After the arrival of United Nations' troops and the formation of the United Nations' Command (UNC) under General Douglas MacArthur, UN forces launched a counterattack, beginning with a seaborne landing at Inch'on in September 1950. At the same time, a breakout was organized from the Pusan perimeter. Seoul was recovered on 28 September, and the invaders were pushed back beyond the 38th parallel. United Nations troops then advanced into North Korea in pursuit of the fleeing enemy in early October, capturing the North Korean capital, P'yongyang, on 19 October. On 21 November, advance units of the United Nations forces reached the Chinese border on the Yalu River.

The People's Republic of China (PRC), established in October 1949, had begun life with a strong suspicion of United States' motives, deriving from American support for the Chinese Nationalists in the civil war. Tension between China and the U.S. increased at the outbreak of the Korean War when the U.S. announced that its Seventh Fleet would patrol the Taiwan Straits, thus preventing any attempt by either the PRC or the Chinese Nationalists now established on Taiwan to invade the other. After the Inch'on landing, the Chinese sent signals that if United Nations' forces approached the Yalu, China would intervene. MacArthur discounted these signals, but in November 1950, China sent troops to the Korean Peninsula to save North Korea and to protect its border. By late November 1950, some 250,000 troops of the Chinese People's Liberation Army had crossed the Yalu. Officially described in the Chinese media as the "Chinese People's Volunteers" (CPV), they now struck hard at the United Nations' forces.

MacArthur panicked, and the UN forces began a fast retreat. By December 1950, South Korean and UN troops had withdrawn from the North, and Seoul fell to the

communist forces for the second time in January. Over a million Chinese troops participated in the Korean War, while Soviet pilots, in Chinese or North Korean uniforms, joined in air battles against the UN forces. The UN forces, under the local command of General Matthew Ridgeway, regrouped and mounted a counterattack, retaking Seoul on 12 March 1951. Thereafter, although many fierce battles would be fought, the war settled down in stalemate roughly along the 38th parallel, where it had begun.

At this point, the Soviet government called for truce negotiations. Talks began at Kaesong behind the North Korean lines in July 1951 but failed to end the fighting. They were later transferred to P'anmunjom, on the 38th parallel. Hostilities continued until an armistice agreement was finally signed at P'anmunjom on 27 July 1953 between the UNC and the North Koreans and the CPV. The South Korean government refused to sign the armistice, but did agree to abide by its terms. The 1953 cease-fire line became the military demarcation line, a new boundary between North and South Korea, with a narrow demilitarized zone (DMZ) separating the two countries. The war caused more than a million casualties in South Korea, as well as enormous property damage, and political and social conditions became chaotic as economic hardships multiplied. On 15 August 1953, the South Korean government returned to the war-devastated capital city of Seoul.

During the war, President Rhee and his Liberal Party, formed in 1951, acted high-handedly toward their opponents in the National Assembly. The Assembly refused to approve a series of constitutional amendments proposed by the government in January 1952, leading to a political crisis known as the "Pusan political disturbance" of May

1952. After proclaiming martial law in the Pusan area on 25 May, Rhee and his party forced the National Assembly in July 1952 to pass a constitutional amendment bill, instituting a direct, popular election of the president and the vice-president.

Under the amended constitution, Rhee was re-elected by popular vote in 1952, but the vice-presidential candidate nominated by the Liberal Party was defeated by an aged, independent candidate, who was helped by the police under a secret instruction given by Rhee himself. In November 1954, the Liberal Party-dominated National Assembly adopted another series of constitutional amendments by dubious means, providing exemption to the incumbent president from the two-term limitation in office, and abolishing the office of prime minister.

In the 1956 presidential election, a new opposition Democratic Party, founded in 1955, nominated candidates for the offices of president and vice-president. The sudden death of its presidential candidate, Shin Ik-hui, assured victory for Rhee, but the Democratic Party's candidate for the vice-presidency, Chang Myon, widely known as John Chang, defeated the Liberal candidate. Encouraged by this, Cho Pong-am, a socialist and former minister of agriculture, formed the Progressive Party in November.

As corruption among government officials and members of the Liberal Party became rampant and repression by the police increased, a widespread desire for change grew, particularly among the urban voters. In the general elections for the National Assembly in 1958, the Democratic Party increased its seats substantially. Aware of the danger of losing its absolute control, the Liberal Party repealed the local autonomy law and passed a new National Security Law, promulgated on 26 December 1958, so as to strengthen the government's control.

In the fourth presidential election, held in March 1960, Rhee and Yi Ki-bung ran as the presidential and vice-presidential candidates of the Liberal Party. Three weeks before the election, the Democratic Party presidential candidate, Cho Pyong-ok, died while receiving medical treatment in the United States, once again assuring the election of Dr. Rhee. However, there were doubts about whether Yi would be elected. As a result, the ruling party resorted to corrupt and fraudulent means to elect Yi, who defeated Chang Myon, the vice-presidential candidate of the Democratic Party, by a large margin. Popular reaction against the autocracy of President Rhee and the corrupt and fraudulent practices of the administration and the LP exploded immediately after the March election of 1960. Fierce student riots erupted throughout the country, particularly in the Pusan–Masan area, producing casualties among students and leading up to the Student Uprising of 19 April 1960 in Seoul. These incidents combined with mounting pressure from the U.S. forced President Rhee and his cabinet to resign *en masse* on 26 April.

The Second Republic, August 1960–May 1961. A caretaker government was set up under Foreign Minister Ho Chong, and in mid-June the National Assembly adopted constitutional amendments. In July, general elections for the new upper House of Councilors and the House of Representatives were held. In August, both houses of the National Assembly elected Yun Po-son as president and Chang Myon as prime minister, and the Second Republic emerged.

The Second Republic was handicapped from the start. It had no mandate from the people and both President Yun and Prime Minister Chang lacked determination and political skills. The Chang administration was indecisive in dealing with former leaders

of the Rhee regime and seemed too tolerant toward left-wing radicals. It was unable to cope effectively with the ideological and social cleavage between political and social groups, and failed to gain the confidence of the people. The ruling Democratic Party was badly split and it had no solutions for economic and social problems. Meanwhile, new student demonstrations erupted as left-wing influence grew among the students. Campuses were severely disrupted as students and some radical faculty members demanded more control over university affairs. Student agitation for direct negotiations with North Korean students, aimed at reunification of the country, created more problems. The danger to national security increased, as shortages of food and jobs became more acute. These developments set the stage for a military takeover that would usher in another important period in Korean history.

The Military Rule, May 1961–December 1963. On 16 May 1961 a military coup, led by a small group of young, disgruntled army officers headed by Major General Park Chung-hee overthrew the Second Republic. Those involved claimed that their aims were to protect the country from Communist threats and reconstruct its political, economic, and social systems, establishing a clean government and social justice; however, there were also grievances within the officer corps about slow rates of promotion as a result of the rapid promotion of young officers during the Korean War, and other such issues.

The Military Revolutionary Committee (MRC), which emerged on 16 May and took over the government, declared martial law, dissolved the National Assembly, forbade all political activity, banned student demonstrations, and imposed press censorship. President Yun was persuaded to remain in office as the Second Republic fell

on 18 May. Thereupon, the MRC, headed by Lieutenant General Chang To-yong, army chief of staff, who had not participated in planning of the takeover but became chairman of the committee, issued six pledges, and on the following day, acting as a legislative body, it adopted the Law Concerning Extraordinary Measures for National Reconstruction.

In late May 1961, the MRC was renamed the *Supreme Council for National Reconstruction (SCNR)*, which became the supreme law-making organ of the nation. A new executive branch (cabinet), headed by the chairman of the SCNR, and a new judicial branch also in the hands of the military were established at the same time. Meanwhile, a Korean Central Intelligence Agency (KCIA) was established. In theory, this was modeled on the United States' Central Intelligence Agency, but from the start its remit included domestic politics as well as external threats. Although not specified, part of its role was to ensure that no other group of soldiers followed Park's example. In November 1961 the General Alliance of the Laborers for Rapid Realization of Independence and the National Council of Labor Unions, which had been organized in October 1960, were compulsorily merged with the General Federation of Korean Labor Unions (*Han'guk Noryon*).

In July 1961, General Park Chung-hee became chairman of the SCNR. In August, he announced that political activity would be permitted in early 1963 to pave the way for a return to civilian government. Meanwhile, the activities of the Political Purification Committee, established under the Political Purification Law of 16 March 1962, created much controversy. In a bitter political dispute over the law, President Yun resigned, whereupon Park became acting president. The constitution, amended by the SCNR, was presented to the people, and it was approved in a national referendum in late December

1962. Meanwhile, a Political Party Law was promulgated on 30 December 1962, permitting the revival of political activities by those not purged.

In January 1963, as the ban against political activity was removed, military factions formed the Democratic Republic Party (DRP), and nominated Park as its presidential candidate. When, in mid-March, the discovery of an alleged plot to overthrow the military junta was announced, the acting president announced that a plebiscite would be held on a four-year extension of military rule. However, following a strong negative reaction against this proposal, Park withdrew it, once again promising the restoration of civilian rule. In August, Park retired from the army and ran for the four-year-term presidency.

The opposition forces were split into four parties, and in the presidential election held in October 1963, this allowed Park to defeat former President Yun, who ran as the presidential candidate of the Civil Rule Party, by a narrow margin. The Park's DRP also won a majority in the National Assembly elections held in November 1963, giving former military junta members control over the new civilian government. With the inauguration of President Park on 17 December, the Third Republic began.

The Third Republic, December 1963–December 1972. Although theoretically, civilian government had been restored, ex-military men occupied all major positions and the National Assembly was completely dominated by the military-based DRP.

Although considerable economic progress was achieved under the two consecutive Five-Year Economic Development Plans (1962–66 and 1967–71), and social stability was restored, the Third Republic failed to promote democracy. In March and

April 1964, large student demonstrations broke out in Seoul against the normalization negotiations with Japan. As a result, the government declared an emergency decree in the Seoul area in June. Despite violent opposition, the government signed the treaty with Japan on 22 June 1965, establishing formal diplomatic and commercial relations. Matters were made worse when the National Assembly, without the participation of the opposition lawmakers, passed a bill authorizing the dispatch of South Korean troops to South Vietnam under a United States–South Korean agreement signed on October 1964. Violent demonstrations against these government actions broke out, and the government declared martial law in the Seoul area again in August 1965.

In order to promote a parliamentary democracy, if not to weaken the power monopoly of the ruling DRP, the opposition leaders formed a new party named the New Korea Party (NKP) in May 1966. However, formation of two new parties late in 1966 by two prominent dissident groups allowed the ruling party to maintain its control. In February 1967, the NKP and the Masses Party were united into the New Democratic Party (NDP), which nominated Yun Po-sun as its presidential candidate. But in the May 1967 presidential election, the incumbent president defeated Yun again, this time by a large margin, and the ruling party won a substantial majority of seats in the National Assembly elections of July 1967.

At this point, there occurred a series of events that provided the government with ample excuses to tighten its control over the country, as well as increasing the sense of insecurity in South Korea. The first was the announcement in July 1967 of the arrest of an alleged pro-North Korean espionage team consisting of over 100 members, whose main operational base was located in East Berlin. This was followed in January 1968 by

the attempt by a North Korean commando team to assassinate President Park, the capture off the coast of North Korea of a United States' intelligence ship, the USS *Pueblo*, by North Korean naval vessels, and the arrest of an underground espionage group of the phantom "Unification Revolutionary Party" in August 1968. Partly in response to these developments, in April 1968, the government formed a 2.5 million-man Homeland Reserve Forces and in September introduced military training for college students.

In addition, and despite strong opposition, the ruling party amended the constitution in mid-September 1969 allowing the incumbent president to run for a third term of office while the members of the opposition party were boycotting the National Assembly sessions. A national referendum held in October approved the amendment.

A calmer political atmosphere prevailed in 1970. In September, seven months after former president Yun Po-son departed from the NDP, Kim Dae-jung was nominated as its presidential candidate. In December, the National Assembly revised the foreign trade law, allowing trade with "non-hostile Socialist countries."

In the presidential election held in April 1971, President Park defeated Kim Dae-jung by what many felt was a suspiciously narrow margin. However, in the National Assembly elections held in May, the ruling DRP won a larger majority. Shortly after President Park took the oath of office on 1 July for his third term, the government adopted the New Community Movement Plan (*Saemual Undong*), designed to prevent too big a gap developing between the urban and rural areas.

Hostile student demonstrations continued to plague the government. Their continuation, and the continued talks between the Red Cross societies of North and South Korea (the talks began in September 1971), led the government to declare a state of

national emergency on 6 December 1971. This, it was claimed, would help the nation better meet the rapidly changing domestic and international situations. Meanwhile, the withdrawal of South Korean troops from South Vietnam began in early December. On 26 December 1971, the National Assembly adopted the Special Measures Law on National Defense, giving extraordinary power to the president.

The secret negotiations conducted between Seoul and P'yongyang in early 1972 led to the issue of an identical statement by the two Korean governments on 4 July 1972, recording their agreement on a Korean reunification formula. This momentous statement announced the opening of a dialogue to achieve national unification by peaceful means without outside intervention. Because two successive Five-Year Economic Development Plans (1962–71) had laid a good foundation for economic development, the future of the nation seemed brighter both politically and economically.

However, the sudden changes in the international situation, following the Sino-American détente, the new development in North–South relations, and changes in United States' Asian policy that implied less commitment to preserving Asian security, provided the ruling party with a convenient pretext to perpetuate President Park's rule. As a result, the government proclaimed a national emergency decree on 17 October 1972, dissolved the National Assembly, and suspended the constitution. This coup d'état, effectively staged by Park against himself, became known as the October *Yushin* (revitalizing) coup. The government proposed new constitutional revisions, including one that provided for the indirect election of the president, on 17 October. These revisions were approved in a national referendum held on 21 November 1972.

Martial law was lifted in mid-December. The new electoral college, known as the

National Conference for Unification (NCU), whose 2,350 members were elected by popular vote on 15 December, was formally established, and duly elected President Park as the eighth president of the Republic.

The Fourth Republic, December 1972–October 1979. The Fourth Republic began with Park's inauguration on 27 December 1972, and the new Yushin Constitution was officially proclaimed on 30 December, followed by the promulgation of the new National Assembly Election Law and the Political Party Law.

The elections for the National Assembly held in February 1973 under the new election law gave the ruling DRP a majority. Meanwhile, a new political society named the Political Fraternal Society for Revitalizing Reform (*Yushin Chong'uhoe*, or *Yujonghoe*) was set up as a companion political body of the ruling party, and 73 of its members were elected by the NCU, on the president's recommendation, to serve a three-year term in the National Assembly under the new constitution. This gave the ruling party a guaranteed built-in majority.

Soon the Fourth Republic began to encounter domestic and foreign problems. In August 1973, the kidnapping of Kim Dae-jung from Tokyo to Seoul, supposedly by agents of the Korean CIA, led to widespread protests. Increased antigovernment agitation and demands for the abolition of the 1972 Yushin Constitution produced political instability in 1974. As well as domestic problems, the government faced increased diplomatic tension with Japan and the United States over both the kidnapping of Kim Dae-jung and its increasingly repressive measures against civil liberties.

Park's response was more repression. To cope with the situation, a series of

Presidential Emergency Decrees banned all antigovernment activities and agitation for constitutional reform, but these only added to the general air of instability. In this tense situation, a pro-North Korean from Japan attempted to assassinate President Park as he was addressing the audience at the National Theater on 15 August 1974 (National Day), but killed Park's wife (Yuk Yong-su) instead.

In late August, some of the Emergency Decrees were lifted, but the NDP and other groups relentlessly pressed for constitutional reform and the release of political prisoners. While college students of some 18 universities were engaged in violent antigovernment and anti-Japanese demonstrations in September and October, *Tong-A Ilbo* newspaper reporters and a group of 101 writers issued a "Declaration for the Realization of Freedom of Speech and the Press." In late November some 71 dissident leaders, including former President Yun, formed the National Conference for Restoration of Democracy.

Despite the national referendum held in February 1975, which reaffirmed the Yushin Constitution by some 73 percent of the vote, and the release of those who had violated the presidential decrees soon after that, antigovernment demonstrations and the demand for the revision of the constitution continued unabated.

To meet this situation, Park issued Presidential Emergency Measures No. 7 of April and No. 9 of May 1975, which imposed further restrictions on the opponents of the 1972 Constitution, banned student demonstrations, and outlawed public defamation of the government. However, political turbulence persisted as many dissidents were imprisoned. In March 1976, the three major opposition political leaders issued a joint statement entitled the "Democratic National Salvation Declaration." They demanded the

abolition of the 1972 Constitution and the complete restoration of human and civil rights. Further student demonstrations followed.

There were more difficulties for the Korean government as a result of the disclosure by *The Washington Post* in October 1976 of illegal lobbying activity by a Korean businessman, Park Tong-son, in Washington, D.C., followed by the investigation of Park and other Koreans, including a former ambassador to the United States, by the U.S. House of Representatives in the spring of 1977. Meanwhile, the re-election of President Park by the new members of the NCU in December 1978, only made the situation worse as student unrest, supported by the opposition, caused greater political turmoil.

After the National Assembly elections held on 12 December 1978, President Park took the oath of office as the ninth president on December 27, and released some 1,000 political prisoners, including Kim Dae-jung. However, the voice of the dissidents grew louder in March and May 1979 as Kim Young-sam, who became president of the NDP in May, initiated a new movement for constitutional revision. His antigovernment speeches and press interviews infuriated the government. This fury turned to savage attacks on all opposition, and following an incident in which riot police attacked the NDP headquarters where disgruntled workers had taken refuge, moves were taken to suspend Kim's party presidency and engineer his expulsion from the National Assembly.

Now the student protests became more intense, and moved from the campuses to the streets. They also spread to other part of the country, including Kim Young-sam's hometown, Pusan. In Pusan, middle class citizens joined with the students in attacks on police boxes and government buildings in mid-October. The rioting then spread to the

nearby city of Masan. The government's response was to impose martial law in the region. The situation became more critical toward the end of October as college students in Seoul prepared for a large-scale uprising, similar to that of April 1960. On 26 October 1979, in the midst of the crisis, Kim Chae-gyu, director of the Korean CIA, shot and killed President Park and his chief bodyguard and confidant, Cha Chi-ch'ol, in the course of a row over dinner about how to handle the growing demonstrations. As the country faced an unprecedented national crisis, Prime Minister Ch'oe Kyu-ha was named acting president and martial law was proclaimed, with Gen. Chong Sung-hwa as Martial Law Commander. Kim and his accomplices were executed in late May 1980.

The Interim Period, October 1979–March 1981. The NCU elected Ch'oe Kyu-ha as the new president on 6 December 1979, but Lieutenant General Chun Doo-hwan, commander of the Defense Security Command, overshadowed both the president and the government. On 12 December, Chun, aided by a fellow general, Roh Tae-woo, carried out a coup, arresting the Martial Law Commander Gen. Chong Sung-hwa, who was accused of complicity in Park's assassination. Both Chun and Roh were members of a secret military clique within the army, known as the *hanawoe*, or "One Association." The government restored the civil rights of former President Yun, Kim Dae-jung and others in February 1980, and established a Constitution Revision Deliberation Committee in March, but both the opposition NDP and students became impatient with the slow progress in political reform.

Conditions deteriorated further when Chun was appointed as acting director of the Korean CIA in April without leaving his army post. Many campus rallies followed,

demanding the immediate end of martial law, the adoption of a new constitution, and the resignation of Chun as acting director of the Korean CIA. Tens of thousands of students marched into the streets in Seoul and elsewhere in mid-May, clashing with riot police. Troops were mobilized, and on 17 May, the government proclaimed nationwide martial law. Martial Law Decree No. 10 followed. Under this, some 30 political leaders, including Kim Jong-p'il, head of the DRP, Kim Young-sam, head of the NDP, and Kim Dae-jung were put under house arrest, and the National Assembly was closed, as were colleges. All political activities, assemblage, and public demonstrations were banned. In spite of these restrictions, demonstrations continued in Seoul and elsewhere. In Kwangju, capital of Kim Dae-jung's home province, and a city that had suffered much discrimination under Park Chung-hee, there were outbreaks of violence, with attacks on the police and public buildings. To take the city, Chun sent special forces trained to deal with North Korean infiltrators. They initially failed to do so, but Kwangju was eventually retaken, with heavy casualties, on 27 May 1980. It and nearby towns were put under military control.

Meanwhile, the cabinet tendered its resignation on 20 May, and a new cabinet emerged in an extremely unstable situation. A Special Committee for National Security Measures (SCNSM) was formed on 31 May to cope with the crisis with President Ch'oe as its chairman and Chun Doo-hwan as chairman of its Standing Committee. Chun resigned as acting director of the Korean CIA in June, but he and 15 other generals in the SCNSM exercised absolute power, instituting many changes, including a drastic educational reform in July.

President Ch'oe resigned on 16 August to be succeeded by Chun. When Chun

was elected by the NCU as the president and took the oath of office on 1 September, he said that he would do his best to make his government an “honest and efficient one, which can win the confidence of the nation.” He pledged that he would eradicate past ills and restore public faith in honest rule.

However, President Chun soon displayed dictatorial tendencies. In late September the police rounded up 13 NDP members on suspicion of playing a key role in the political melee in the 1976 NDP national convention. That same month, a military court sentenced Kim Dae-jung, charged with instigating the Kwangju Uprising even though he was in detention at the time, to death. On 22 October, new constitutional revisions proposed by the SCNSM were approved in a national referendum, replacing the Yushin Constitution and paving the way for the Fifth Republic. Meanwhile, Chun dissolved the National Assembly and replaced it by an 81-member “Legislative Council for National Security” (LCNS), whose members he appointed. In late October, all existing political parties were dissolved, and on 12 November, the government announced that a total of 835 persons were to be banned from political life for the next eight years. Meanwhile, the government forced the dismissal of 937 journalists (editors and reporters) and the consolidation of radio-TV broadcasting systems and newspaper presses, in what became known as “the massacre of the mass media” of October–November 1980. In essence, a new military revolution took place under the dictatorial leadership of Chun. In December, the Korean CIA was renamed the Agency for National Security Planning (ANSP) without losing any of its former power.

With the partial lifting of the Martial Law Decree No. 10 on 15 November 1980, political activity was renewed, and in January 1981 there emerged new parties with new

leadership: President Chun's Democratic Justice Party (DJP), a Democratic Korean Party (DKP) led by Yu Ch'i-song, and the Korean National Party (KNP) of Kim Chong-ch'ol; all were government-funded in one way or another, as were a number of minor parties. On 25 February 1981, a 5,278-member Presidential Electoral College, which was popularly elected on 11 November and replaced the NCU, elected the incumbent president as the first president of the Fifth Republic for a non-renewable seven-year term of office under the new constitution.

The Fifth Republic, March 1981–February 1988. The Fifth Republic began on 3 March 1981 when Chun took the oath of office for a single seven-year presidential term. This was followed by the general elections for a new National Assembly in late March. The 11th National Assembly was inaugurated on 11 April, replacing the short-lived LCNS; the DJP was the majority party. Although Chun sustained the momentum of economic modernization and development that began in the 1960s, his government displayed little inclination to promote democracy and it failed to win the confidence of the people. It also misused power to strengthen government control and benefit the ruling party and those individuals and business firms that supported it. As a result, the people regarded the Chun administration as “a hotbed of illegality and irrationality,” and the dubious financial dealings of President Chun's wife, his brother and other relatives were widely known. Consequently, the democratic aspirations of the people suffered, and there occurred frequent student riots and labor unrest, accompanied by violence, as the demand for democratic reform increased.

President Chun made state visits to the five nations of the Association of

Southeast Asian Nations (ASEAN) in June 1981, to Japan in September 1984, to the United States in February 1981 and April 1985, and to five European nations in April 1986, improving South Korea's diplomatic and commercial ties with them. However, his plan to visit six Southeast Asian nations in October 1983 was cut short by an assassination attempt by North Korean agents in Rangoon, Burma on 9 October. Chun escaped, but many of his top advisers and cabinet ministers were killed.

In June 1981, Chun granted amnesty to some 1,061 political prisoners who had been imprisoned in connection with the Kwangju Uprising, reduced the death sentence given to Kim Dae-jung to life imprisonment and allowed him to travel to the United States for "medical treatment" in December 1982. Between February 1983 and November 1984, Chun gradually removed 835 former political leaders from the political blacklist, restoring their political and civil rights. However, Chun and his government utterly failed to promote democracy, refusing to revise the constitution before 1989. Following the founding of an underground radical student organization named the "Committee for Promotion of Democracy" (*Minch'uwui*) in October 1984, a group of radical students occupied the headquarters of the ruling DJP, demanding further democratic reform. But Chun made no concession, except the removal of 84 names out of 103 persons who were still on the political blacklist in November 1984. A final group of 19 former political leaders, which included Kim Jong-p'il, Kim Dae-jung and Kim Young-sam, did not regain political and civil rights until March 1985.

Those who regained their political and civil rights in November 1984 established the New Korea Democratic Party (NKDP) in January 1985, and agitated for an immediate revision of the constitution. At this juncture, Kim Dae-jung returned to Seoul

from the United States.

In the general elections for the National Assembly, held in mid-February 1985, the opposition NKDP won the majority of urban votes, but the ruling DJP managed to maintain its overall majority. Shortly after, President Chun named Roh Tae-woo as new chairman of the DJP in order to strengthen the party, and also to indicate that Roh would be his successor. Meanwhile, the opposition party leaders having formed a “Council for the Promotion of Democracy” (CPD), called for the merger of all opposition parties, named Kim Dae-jung and Kim Young-sam co-chairmen of the CPD, and demanded further constitutional revision. In mid-April 1985, radical students formed a “Committee for the Three People’s Struggle” (*Sammint’u*) with the representatives of 23 universities and began to organize more violent protests. Students belonging to this and other radical groups occupied both the United States Information Center in Seoul in late May and the training institute of the ruling DJP.

In March 1985, Kim Young-sam officially joined the NKDP, becoming adviser to the party president. The NKDP thereupon launched a more determined movement for the revision of the constitution, demanding the direct election of the president, and a return to the system whereby the prime minister was responsible to the National Assembly.

In the turbulent political climate of the spring of 1986, the police placed 270 opposition politicians under house arrest, to block a mass rally planned by the NKDP. Nonetheless, large mass rallies were held in Seoul, Inch’on, Kwangju, Taegu and Pusan in support of the constitutional revision drive. It was the first time since 1981 that such large outdoor mass political rallies openly criticizing the current regime and its policies

had been held in South Korea. While demonstrators even demanded the immediate resignation of Chun, several groups of university professors issued statements calling for the immediate revision of the constitution, while a group of 325 women leaders called for the promotion of social democracy and women's rights under a new constitution.

Political peace was restored temporarily when, following the meeting between the president and the opposition leaders, the Chun agreed to form a Constitution Study Committee to prepare for the constitutional revision. However, Chun refused to revise the constitution before 1989 in order to enable his successor to be chosen by the Electoral College under the existing constitution. Thereupon, opposition groups such as the NKDP, the CPD, and Catholic and Protestant societies increased their demand for a constitutional revision in 1986 so that the 1987 presidential election would be held under a revised constitution.

The rise of radical groups and increasing demonstrations caused considerable problems for the government. In late October 1986, a group of young revolutionaries, whose aim was to form a Marxist-Leninist party, was arrested. This was followed in early November by a mass demonstration at Konguk University in Seoul of some 1,270 radical students from various universities. Meanwhile, the police cracked down on dissidents who organized a "Joint Masses Movement for Democracy and Unification" (*Mint'ongyon*) in mid-November, and the police also arrested the leaders of an alleged pro-North Korean "Anti-Imperialist League."

The political situation rapidly deteriorated as antagonism between the ruling DJP and the opposition NKDP grew following the adoption by the DJP in October 1986 of a resolution which would allow the police to arrest opposition Assemblymen. The passage

of the 1987 national budget bill by DJP lawmakers in early December without opposition participation only worsened the situation. The death by police torture of a university student in December further radicalized antigovernment students, forcing the president to replace the home minister and the director of the National Police in January 1987.

President Chun's 13 April 1987 ban on any further talks for constitutional reform until after the 1988 Seoul Olympics precipitated violent reaction against the government and its party. Protestant ministers and Catholic priests and nuns carried out hunger strikes, demanding Chun's resignation, while professors at many universities and lawyers issued political statements, criticizing the policy of the president and his party. Meanwhile, hundreds of thousands of students and others staged antigovernment demonstrations throughout the spring and in early summer, regularly clashing with the paramilitary "combat"(riot) police. The city of Seoul became a battleground as teargas filled the air over the city and traffic stoppage occurred day after day.

In this turbulent political situation, some 71 lawmakers defected from the NKDP and formed a new Reunification Democratic Party (RDP) on 1 May, with Kim Young-sam as its president and Kim Dae-jung as his advisor, declaring their determination to carry out their struggle for democratization.

The nomination on 10 June of Roh Tae-woo, chairman of the ruling DJP, hand picked by President Chun to be his successor as presidential candidate of the DJP, precipitated more violence. The opposition RDP demanded the following: an immediate revision of the constitution; restoration of full freedom of the press; release of all political prisoners; and the restoration of full civil rights for Kim Dae-jung. In the wake of this, some 500 persons, including the vice-president of the RDP, were arrested on 10

June, in the midst of daily clashes between the riot police and protesters. A total breakdown of law and order seemed imminent.

On 24 June 1987, President Chun met with Kim Young-sam to seek a solution, but they failed to reach agreement since Chun would make no major concessions. Thereupon the opposition RDP mobilized the masses and carried out a “Grand Peace March” on 26 June. Hundreds of thousands of people took to the streets, clashing with the riot police. The police seized Kim Young-sam and others, while Kim Dae-jung, who had been freed the previous day after 78 days of detention in his home, was again placed under house arrest. The country seemed on the verge of a serious national crisis similar to that of April 1960.

Roh Tae-woo, backed by his loyal supporters in the party, now intervened. He announced his “Democratization Declaration” on 29 June, demanding that President Chun accept his proposals, and indicating that he would resign the chairmanship of the party and candidacy for presidency if his demands were not met. The nation was stunned by this unexpected development but welcomed it with cautious optimism. Roh met with President Chun and convinced the latter that the only peaceful way to defuse the crisis was to implement his reform policy. Persuaded by Roh, President Chun announced on 1 July that he had accepted Roh’s proposals, thus paving the way for a peaceful settlement of the most troublesome political issues that the nation had faced for years.

In an attempt at conciliation, the government granted amnesty on 10 July 1987 to some 2,335 political prisoners, including Kim Dae-jung, also restoring their civil rights. President Chun relinquished the presidency of the DJP to Roh in early August as the two major political parties agreed on the basic outline of a new constitution.

As the winds of democracy rose, labor unrest increased, while radical students continued their antigovernment demonstrations. More than 500 industrial disputes erupted, mainly in the motor, mining and shipbuilding industries as striking workers demanded higher wages, better treatment, and better working conditions. Most of these were settled quickly, but violent clashes between striking workers and riot police took place at Hyundai Motors in Ulsan. By mid-October 1987, however, nearly all labor strikes ended when the government's conceded a swift revision of labor laws. Workers were now guaranteed the right to form unions and to engage in collective bargaining, and minimum wages were raised.

On the political front, negotiations carried out between Kim Young-sam and Kim Dae-jung failed to result in selection of a single RDP presidential candidate. Kim Young-sam declared his candidacy for president in mid-October, and on 12 November, Kim Dae-jung, taking 27 of the RDP's lawmakers with him, formed his own Party for Peace and Democracy (PPD), becoming its head as well as its presidential candidate. With this, the two major existing opposition parties (the NKP and the NKDP) were virtually dissolved. Meanwhile, Kim Jong-p'il revived Park Chung-hee's old Democratic Republican Party (DRP), which had been defunct since early 1980, renaming it the New Democratic Republican Party (NDRP). He also became its leader and presidential candidate. For the first time in the history of South Korea, a woman, Hong Sook-ja of the Socialist Democratic Party, announced her intention to run for the presidency, although she later withdrew.

The democratization process moved ahead when on 12 October 1987, the National Assembly passed the ninth constitutional amendment providing for direct

presidential election. The new Constitution was put to a national referendum on 27 October, to take effect on 25 February 1988. Some 20 million of the country's 25.6 million eligible voters cast their ballots, approving the constitution by 93.3 percent. Thus the stage was set for the establishment of the Sixth Republic.

The first direct popular presidential election in 16 years was conducted on 16 December 1987. Some 23 million, or 89.2 percent of the eligible voters, cast their ballots, electing Roh Tae-woo of the DJP as president for a non-renewable five-year-term of office with 36.6 percent votes. Kim Dae-jung received 28.1 percent and Kim Young-sam received 27.1 percent. It was clear that the two major opposition parties' failure to present a single candidate, "gave" the presidency to Roh. Kim Jong-p'il of the NDRP received 8.1 percent of the votes, while the fifth candidate received only 0.2 percent of the votes.

The Sixth Republic: 1st Stage Roh Tae-woo 1988–93. On 25 February 1988 President Roh took the oath of office for a single five-year presidential term, the first truly peaceful transfer of power since 1948, thus beginning the Sixth Republic. In his inaugural address, Roh said that the era of "ordinary people" had arrived, and that the days when freedom and human rights could be suppressed "in the name of economic growth and national security has ended."

Looking forward to the National Assembly elections under the new National Assembly Election Law of 8 March 1988, which restored the single-member constituency for the first time in 17 years and increased the number of seats in the legislature from 276 to 299, Kim Young-sam resigned the presidency of the DRP, hoping

to bring about the merger of the two major opposition parties. Kim Dae-jung refused to do likewise until criticism against him grew to such an extent that in mid-March he was forced to step down from the presidency of his party. Despite this move, the two opposition parties failed to merge, and both Kims resumed their respective party presidencies. In the general elections for the National Assembly held on 26 April, the ruling party failed to win a majority for the first time, as only 87 of its candidates were elected. Kim Dae-jung's PPD won 54 district seats, thus becoming the first opposition party, Kim Young-sam's RDP won 46 district seats, and Kim Jong-p'il's NDRP won 27 district seats. A minor party won one, and nine seats were taken by the Independents. The 75 national seats were distributed to each party according to the percentage of votes each received. Thus, the DJP received 38, the PPD 17, RDP 13, and the NDRP 8 seats.

The nature of politics remained undemocratic under the Sixth Republic. The uncooperative relationship between the ruling and opposition parties continued, the behavior of politicians and government officials remained dishonest and bureaucratic, and student, farmer, and worker unrest did not subside. Despite these unfavorable factors, the government of the Sixth Republic took several significant steps to promote democracy and restore harmony between the government and the people. First of all, in April 1988, the government redefined the May 1980 civil disturbances in Kwangju as "part of the efforts by students and citizens . . . for democratization of the nation," offered an apology to the people in Kwangju, and promised compensation for the victims. Secondly, in July it removed a longstanding ban on the published works of some 120 writers who had defected to North Korea after 1945, and in October it lifted another longstanding ban on the pre-Korean War songs and art works of some 100 musicians and

artists who had either defected, or were abducted to North Korea, provided their material included no North Korean propaganda. The government also liberalized the press law, permitting the establishment of new newspaper presses and radio-television broadcasting corporations. It also allowed the sale of some books published in North Korea and elsewhere on communism, and permitted the study of Marxism at colleges.

In May 1988, the Roh administration established the Administrative Reform Commission to study “future-oriented government systems” to help the country move forward with democratic development, including a plan to implement local autonomy in 1991. Roh made efforts to promote cooperative relationships between the ruling DJP and the opposition parties in solving domestic and foreign problems, especially those issues related to the Fifth Republic, and made some effort to meet the grievances of students and workers.

These and other measures brought about a temporary truce among conflicting groups for the primary purpose of hosting the 1988 24th Summer Olympics in Seoul as scheduled. As a result, between 17 September and 2 October 1988, Seoul witnessed the largest and the most peaceful Olympics ever held up until then. Following this success, the Roh administration was able to persuade former President Chun to make a nationwide television appearance on 23 November to apologize for the wrongdoings of his administration and its officials. Chun and his wife then left Seoul for self-imposed internal exile at a remote Buddhist temple where they stayed until December 1990. Three days later, on 26 November, Roh appealed for leniency for his predecessor, and in a five-point formula, he promised to launch a broad reform plan to ensure democratic rule and to end abuse of power by the government. His plan also included the reorganization of

the government and the ruling party to realize “a spirit of a new era,” institutionalization of an impartial method for raising and allocating political funds, and promotion of “liberal democracy.”

In order to calm several months of political storm that engulfed his administration over the matters related to the Fifth Republic, as well as to improve public confidence in his administration’s commitment to democratization, on 5 December 1988, Roh carried out a major cabinet reshuffle, appointing Kang Young-hoon as prime minister and replacing 20 of the 25 cabinet ministers and the mayor of Seoul. This was followed by the granting on 21 December of amnesty for more than 2,000 “politically motivated offenders” and release of 281 political prisoners, including those students who were serving 20-year sentences for firebombing the United States’ Cultural Center in Pusan in 1982.

While issues related to former President Chun and the Fifth Republic, as well as the alleged involvement of Roh as former commander of a military unit in the Kwangju incident continued to trouble the Roh administration, a new outbreak of anti-government demonstrations were triggered off when Roh announced on 20 March 1989, that he was postponing the national referendum on his administration that he had promised in 1987 during his presidential campaign.

The two most significant political developments in South Korea in the early 1990s were the emergence of the “super” ruling Democratic Liberal Party (DLP) and the restoration of partial local autonomy. The first was achieved when the interests of the ruling DJP, which had no majority in the National Assembly, and two opposition parties, the RDP and the NDRP, both of which badly needed to strengthen their positions,

converged in January 1990. Following secret negotiations carried out among the presidents of these three parties during the month of January, in February 1990 the DJP, the RDP, and the NDRP merged, forming the Democratic Liberal Party as the “super” ruling party with 216 seats in the 299-seat National Assembly, making the lone opposition PPD with 70 seats in the National Assembly altogether powerless. Meanwhile, those former members of the RDP who refused to join the newly established DLP formed their own parties, such as the New Democratic United Party and the Democratic Party. Eventually these two parties merged with the PPD, forming a new viable opposition New Democratic Party (NDP) in 1991.

Shortly after the launching of the new ruling DLP, and facing a variety of economic problems in mid-March, President Roh carried out a major cabinet reshuffle, replacing all but one minister concerned with the economy. Premier Kang was retained then, but in December 1990, Ro Jae-bong replaced Kang in another major cabinet reshuffle.

New political problems soon hit the government. It was disclosed that government and party officials were involved in financial scandals, including one relating to an illicit allotment of a large tract of land in Seoul’s Suso district to a developer. Riot police beat a college student to death. These development and other political and labor problems led Roh to carry out the third major cabinet reshuffle in February 1991 when he replaced Premier Ro.

The most constructive political development during this period of the Sixth Republic was the partial restoration of local autonomy in 1991. It came about in two stages under a new local autonomy law adopted by the National Assembly in December

1990. In the first stage, members of small district councils were elected on 25 March 1991. The small districts included small cities, counties, and wards of large municipalities. In these elections, only 55.9 percent of the 24 million eligible voters cast their ballots. In the second stage, on 20 June members of the large district councils were elected. These included Seoul and five other special municipalities and nine provinces. In the large district council elections, only 58.9 percent of the 28 million eligible voters cast their ballots. The elections for provincial governors and mayors of the special municipalities, which would provide the new system with real authority, were to be held during the first half of 1992, but they were postponed until 1995. Real local autonomy was, for the present, aborted.

With National Assembly elections due in 1992, and in order to cope more effectively with the superior position of the ruling DLP, in September 1991, Yi Ki-t'aek's Democratic Party and the New Democratic Party led by Kim Dae-jung and Yi Wu-jong merged to form yet another Democratic Party (DP). This provided a stronger opposition party in the National Assembly. There was a surprising new development in January 1992 when Chung Ju-yung, founder and honorary chairman of the Hyundai Group who had no political experience, organized the Unification National Party (UNP). Soon after, Dr. Kim Tong-gil, professor of history at Yonsei University, reorganized his Asia-Pacific-Era Committee into the New Korea Party (*Saehandang*) in mid-January, while Pak Ch'an-jong formed the Party for New Political Reform (PNPR) On 7 February, the Unification National Party and the New Korea Party merged to form the Unification National Party (UNP), otherwise called the United Peoples' Party (UPP), with Chong as its president and Kim as its executive chairman.

In the general elections for the National Assembly held on in March 1992, the ruling DLP, the DP, the UNP and three other splinter parties competed for seats. Despite its size, the ruling DLP won only 38.5 percent of the votes, winning 116 district seats, while the major opposition DP won 29.2 percent of the votes (75 Assembly seats), and the newly formed UNP won 17.3 percent of the votes (24 Assembly seats). Independents won some 11.5 percent of the votes (21 Assembly seats). Even with 33 national Assembly seats allocated to the ruling DLP, it had failed to secure a majority. Only when seven Independents joined the DLP, and one assemblyman-elect from the UNP and another from the DP defected to the DLP did the ruling DLP gain a majority (159 seats). Meanwhile, the remaining Independents formed their own Fraternal Society. Only 71.9 percent (20.8 million) of the 29 million eligible voters cast their ballots, the lowest turnout of voters in the history of National Assembly elections, indicating voters' declining interest in politics.

President Roh's term of office was due to expire in February 1993. In preparation for the election, in May 1992 the major parties selected their presidential candidates. Thus the ruling DLP nominated Kim Young-sam, the DP nominated Kim Dae-jung, the UNP nominated Chung Ju-yung, and the PNPR nominated Pak Ch'an-jong as candidates. Only the DP selected its presidential candidate in a democratic manner, offering a choice of candidates. The leadership of the PNPR and the UNP nominated their presidential candidates without any contenders. The way in which the ruling DLP selected Kim Young-sam aroused not only bitter intra-party conflict, and eventually a party split, but also attracted criticism from the electorate.

At the December 1992 election, Kim Young-sam won with 42 percent of the

votes, well ahead of Kim Dae-jung, the major opposition candidate. For the first time since 1961, South Korea had a democratically elected civilian president, albeit one who had thrown in his lot with the existing ruling party. Kim Dae-jung, his one-time fellow dissident and rival, announced his retirement from politics, retreating to the University of Cambridge in Britain, to reflect and write. The industrialist Chung Ju-yung, who had not done as well as he had expected, also moved out of the political arena. Kim Young-sam was therefore in a very powerful position, despite some lingering opposition from within his own party.

The Sixth Republic: 2nd Stage Kim Young-sam 1993–98. Kim began well. In his inauguration speech, he pledged that he would fight both public and private corruption and revitalize the flagging economy. He called upon the people to help him build a “New Korea,” in which Koreans would regain their former industriousness and regain their self-confidence. His first symbolic gesture was to open up the streets around the presidential palace, Chong Wa Dae, closed as a security measure since the 1960s. He introduced a series of short-term measures designed to get the economy moving, followed by a new Five-Year Plan, which provided a longer-term strategy for sustained economic development. He pledged also that he would clean out the money politics that had come to dominate the South Korean political scene. He made public his total assets and those of his immediate family. Corrupt officials were purged, and known corrupt lawmakers encouraged to leave the ruling party. A further weapon against corruption and financial irregularity was the introduction of the real name system in financial transactions, completed in August 1993, but prepared in great secrecy for the maximum

effect. One personal contribution to honesty was that the president stopped dyeing his hair; instead of the jet-black locks he had hitherto worn, he now appeared in public and in his official pictures with a distinguished head of grey hair. At the end of his first year in office, he enjoyed an 80 percent approval rating in opinion polls.

The following year saw a further batch of reforms, mainly in the political field. These included a law against election malpractices, a law concerning political funds, and a local autonomy act. These were designed to strengthen and deepen the South Korean commitment to the democratic process. These were ambitious projects, often based on the best practice of more politically advanced countries, and some doubted whether they were really suitable for or likely to be successful in the particular circumstances of a country that had just emerged from a long period of military or quasi-military rule. Apart from such doubts, there was also some concern that, whatever the theory, there was a marked reluctance on the part of the South Korean ruling elite to give up power once obtained. In the case of the local autonomy law, for example, many powers that might have logically devolved to the locality were reserved to the center. The laws on election malpractices and political funds set high standards, perhaps even higher than the current level of South Korean political behavior could sustain. One area where radical reform had been expected from this first former opposition figure was in the national security apparatus. There were some changes. Kim Deok, a university professor, took over as head of the ANSP, with a mandate to downsize the organization and to end its role in domestic politics. There the reforms stopped. The National Security Law and the other means of repression used since the very beginning of the ROK continued in force, and before long, there was backtracking even on the modest reforms in the ANSP.

In addition to high standards of political behavior, South Koreans also found themselves expected to meet new international standards. From November 1994, President Kim committed South Korea to a new concept of “globalization,” or in Korean, *segzehwa*. *Segzehwa* was from the beginning an imprecise concept. Building on the fact that the South Korean economy was the eleventh largest in the world, Kim appeared to claim that South Korea could teach the rest of the world about economic development. In the short term, however, much of the *segzehwa* rhetoric related to what some felt was a premature commitment to the opening of the South Korean economy to the world. This would culminate in South Korea’s successful attempt to join the world’s leading group of industrialized nations, the Organization for Economic Cooperation and Development (OECD). Ironically, this bid succeeded in November 1997, just as South Korea’s economy faced its worst-ever economic crisis and as Kim Young-sam’s term of office came to an end.

Well before that, however, Kim had begun to face major problems on several fronts, which would cast a shadow over his early successes. Just as he had taken up office, a crisis developed over North Korea’s alleged nuclear weapons’ program. Satellite evidence appeared to show that an experimental site at Yongbyon north of the North Korean capital, P’yongyang, contained more than the North Koreans admitted. There was also growing concern over the North Korean attitude towards the Nuclear Non-proliferation Treaty (NPT). The North had signed this in 1985, under Soviet pressure, but had failed to sign the required safeguards’ agreement or to provide a full list of its nuclear installations until 1992. Faced with international pressure, the North announced in March 1993 that it would withdraw from the NPT.

This was obviously a serious issue for South Korea, but it was the U.S. that dominated the attempts to persuade North Korea to conform to the terms of the NPT. Kim Young-sam's approach to the issue was very much in keeping with what was increasingly seen as his approach on most issues: he failed to pursue a consistent policy, sometimes being conciliatory, sometimes bellicose. Hostile press comment would quickly induce a presidential change of policy. Somehow, however, a dialogue with North Korea kept going, and there were plans for a summit meeting between the North's leader, Kim Il-sung and Kim Young-sam in July 1994. But to many in South Korea, their country seemed sidelined, especially when it was the former American President, Jimmy Carter, still regarded with hostility in some circles in South Korea for his planned troop withdrawals in the 1970s, who appeared to save the day with his June 1994 negotiations in North Korea.

At this point, Kim Il-sung died, and the summit was postponed. Although Kim Young-sam had been prepared to meet Kim Il-sung, he now refused to express any form of condolence and the government took firm action against manifestations of sympathy that took place on a number of university campuses. The North retaliated with much hostile comment, and effectively ceased all dialogue with the South as long as Kim Young-sam remained president. A further sign of Kim's unsure touch where North Korea was concerned came in 1996. When a North Korean infiltration/surveillance submarine went aground off the East Coast, the ROK security forces at first failed to capture those who went on the run, and then killed them all. The North demanded the return of the bodies, and after it had agreed to apologize for the incident, the cremated remains were handed back on 30 December 1996. There had been no notification that the

bodies were to be cremated, and this action increased the North's hostility towards Kim Young-sam.

Domestic issues also brought problems for Kim Young-sam. A series of fatal accidents during 1994–95, while not the direct responsibility of the government, pointed to weak control of the construction industry and corruption in local and national government. The popularity of both the government and Kim Young-sam fell rapidly, a decline reflected in the anti-government party vote in the June 1995 local elections.

More serious was the reopening of the issue of how Chun Doo-hwan had come to power and responsibility for the Kwangju incident. There had been high hopes among dissident groups and families of the Kwangju victims that Kim's election would lead to a re-examination of the events of 1979–80. Kim Young-sam had declined to do so, saying that it should be left for history to decide. Some felt that this attitude had less to do with magnanimity on the president's part than with the fact that he had come to power with the support of Chun and Roh.

In 1995, the issue was taken out of Kim's hands. In 1993, the general whom Chun Doo-hwan had dismissed in 1979, Chung Sung-hwa, brought a case accusing Chun and Roh Tae-woo of mutiny on that occasion. The court agreed in July 1995 that 1979 had been something approaching a mutiny, but the prosecutors declined to take action. Chun and Roh had once again escaped an examination of their actions. As the real name financial reforms began to take effect, however, there was increasing speculation that some of the biggest borrowed-name accounts belonged to the two former presidents and their supporters. On 19 October 1995, an opposition legislator revealed in the National Assembly that Roh had about 400 billion won (U.S. \$500 million) in a series of

undisclosed bank accounts. Speculation was soon rife that Chun probably had similar amounts. On 27 October, Roh in tears revealed at a press conference that he actually held some U.S. \$650 million in various funds.

This confession led to countrywide demonstrations and demands from the opposition that Kim Young-sam should indicate whether or not he had received money from Roh. The prosecutors also began their investigations into the source of the funds, which turned out to be mainly the big business conglomerates, and Roh was arrested on 25 November on suspicion of taking bribes. Before long, Chun too had been arrested.

Kim Young-sam, who hitherto had not been involved and indeed had refused to re-open the past, now effectively gave the go-ahead for a full investigation not just of the corruption and bribery issues, but also of the circumstances surrounding the 1979 coup and the Kwangju incident. A special law passed the National Assembly on 19 December 1995, and the way was open for the prosecution of Chun, Roh and a number of their military and business associates.

The verdict came in August 1996. Chun was sentenced to death and Roh to 22 years and six months in jail, while both had large fines imposed. Other military figures received jail sentences but the industrialists who were convicted of bribery and corruption received suspended sentences. Both the former presidents had their sentences reduced on appeal, Chun to life and Roh to 17 years. Eventually, after the 1997 presidential elections, Kim Young-sam, with the agreement of the incoming president, Kim Dae-jung, released both men from prison; the heavy fines stood but have not so far (mid-2003) been paid.

There was much speculation as to why Kim Young-sam had changed his mind

about prosecuting his predecessors. The public outrage at the extent of the corruption may have been a factor, but he had firmly resisted earlier calls for action. Some argued that he had allowed the prosecutions to go ahead to protect himself. Chun and Roh would not reveal what they knew about him since they might ultimately be dependent on him for presidential clemency. Others felt that he had acted to try and recoup some of his lost popularity and with a view to influencing both the April 1996 National Assembly elections and the 1997 presidential elections.

If these were his aims, they were unsuccessful. The April 1996 elections saw the government party failing to win an overall majority in the National Assembly. The defeat was soon remedied, with promises buying defections from other parties, but it was not a good omen. Soon there were other problems as well. The change of heart over prosecuting the former presidents brought little credit to Kim Young-sam, who was widely seen as having acted too late. Besides, there was soon clear evidence that corruption had by no means disappeared. Before the end of 1996, a former minister of health and a former minister of defense had been jailed for corruption. Early in 1997, the collapse of the Hanbo Iron and Steel Company not only had major economic repercussions, but brought the tide of corruption lapping at the president's own door. Another minister, a presidential aide, several parliamentarians, and various businessmen were caught up in the scandal, but so was one of the president's sons, Kim Hyon-ch'ol. In the event, no charges were levied against the younger Kim but again questions lingered as to the real reason for his activities.

Increasingly savage labor disputes and a new round of student demonstrations, during one of which a policeman was killed, added to Kim's difficulties. There were

claims that pro-North Korean activists were behind the student demonstrations, and the North itself seemed to be more belligerent. To cope with these developments, Kim decided to restore many of the powers that he had taken away from the ANSP in his early days and to introduce tough new labor laws. Faced with opposition in the Assembly, in a move reminiscent of Park Chung-hee's day, the ruling party met at six in the morning on 26 December 1996 and passed the two bills.

The presidential election year of 1997 therefore began on a low note. Kim Young-sam's personal popularity in the opinion polls was below 20 percent, and falling. He was reluctant to name a successor as the ruling party candidate for the election, no doubt wishing to avoid an alternative center of power developing within the party. He also had to be careful in his choice if he wished to avoid the same fate as his two predecessors. The corruption issue would not go away, either, and in May Kim Hyon-ch'ol was arrested. The political parties traded allegations about the amounts of money political leaders had received. The year also saw increasing economic problems, beginning with the collapse of the Hanbo group in January. By the summer, several of the lesser *chaebol* appeared to be in serious difficulties. President Kim, preoccupied with the arrest of his son, and increasingly struggling to prevent his one-time associate and political rival, Kim Dae-jung, from becoming president, seemed oblivious to the major problems the country faced.

When the collapse of the Thai currency in July triggered off the Asian financial crisis, Kim Young-sam seemed detached. He remained so as the crisis began to engulf the South Korean economy. It was true that the government stepped in when Kia Motors went bankrupt in October 1997, but that was to prevent the social dislocation likely to be

caused by such a failure. As the won came under pressure, the government declined all outside assistance, only to see the currency fall to under 1000 to the U.S. dollar. At this point, the government called on the International Monetary Fund (IMF) for assistance. By the end of November 1997, the IMF had advanced South Korea \$57 billion, the largest such loan ever made. Koreans, used to success and fearful of the IMF's demands for the opening of the economy, seemed in despair.

This was the backdrop against which the 1997 presidential election was fought. The ruling party eventually settled on a respected High Court judge, Lee Hoi-chang as its candidate. He seemed to have good qualifications. He was notably younger than his main opponent, Kim Dae-jung, and enjoyed a reputation for honesty. However, there was opposition to his selection from within the party, and when news broke that both his sons had somehow avoided military service, his reputation suffered a setback.

Meanwhile, an unexpected alliance had emerged among the opposition candidates. In early November, just ahead of the election, Kim Dae-jung of the National Council for New Politics (NCNP), the party he had created in 1995, and Kim Jong-p'il, head of the United Liberal Democrats (ULD) and once Park Chung-hee's prime minister and founder of the KCIA, announced an electoral alliance, with Kim Dae-jung as their presidential candidate. Many predicted that what they saw as an unholy alliance would fail; the ruling party, using as in the past, state powers tried to ensure that it would. In the event, and following a split in the ruling party, it was Kim Dae-jung who won the 1997 presidential election on 18 December, albeit by just 400,000 votes out of 26 million. When he took office in February 1998 as the 15th president, it marked the first time since 1948 that power had passed from the ruling party to the opposition.

The Sixth Republic: 3rd Stage Kim Dae-jung 1998–2003. It was a formidable task that the new administration faced, as the economic crisis deepened. Kim Dae-jung appeared to begin badly, stating after receiving his first official briefings that he had no idea how bad things were. He later claimed that this was an attempt to bring home to the Korean people how serious a position they faced. If he had made an error, he quickly recovered. Kim had in fact given much thought to the economic needs of South Korea during his long years in opposition, and he now began to put some of these into practice. He also assembled a competent team of advisers, while making conciliatory moves towards both the labor unions and big business.

Clearly action was needed, as the economic crisis deepened, and the economy dominated Kim Dae-jung's first year in office. In the first six months of 1998, real GNP declined by 5.3 percent compared with the same period the previous year. The dollar/won ratio hovered around the 1,700 level. Unemployment increased as more and more companies became insolvent. This reflected a huge range of problems, including great over-capacity, a near bankrupt financial sector and massive private debt.

Kim set out to persuade his countrymen that the IMF package, negotiated the previous year, had to be implemented, however hard that was. A Financial Supervisory Commission oversaw the shutting down of about 100 financial institutions and over 50 non-competitive companies. The reform of the *chaebol* proved more difficult, but here too strenuous efforts were made, with most of the major companies agreeing to restructure around a set of core activities. At the same time, the South Korean capital markets were liberalized, and many areas hitherto closed to foreign investment were now

opened. By the end of 1998, there were signs of hope.

Perhaps it was not surprising that in these circumstances, domestic politics seemed less important. Kim Dae-jung's links with the ULD and Kim Jong-p'il led to the latter's nomination as prime minister. Tensions between the ruling party and the opposition, so recently itself the ruling party, and Kim Jong-p'il's own past, meant that it was six months before the National Assembly approved his appointment as prime minister. There was little sign of the political reform that many had expected from a Kim Dae-jung government, although there was a swing towards new political blood as liberal scholars, former dissidents and people from the hitherto neglected Cholla provinces found themselves in positions of power. The catchall National Security Law remained, as did the powers of the ANSP, now renamed the National Intelligence Service (NIS). The NIS was given new leadership and once again there was a pledge that it would no longer operate on the domestic scene. In the event, the new leadership, while carrying out some reforms, appears to have made little difference to the overall ethos of the service, and it was not long before allegations of the organization's involvement in internal affairs were being made public.

Internationally, Kim Dae-jung enjoyed a high reputation for his long years of opposition to successive military regimes and for his democratic principles. Domestic problems to some extent limited his opportunities for travel, but when he did, such as his visit to London in April 1998 for the relatively new Asia Europe Summit Meeting, it made an impact.

Kim Dae-jung had long been an advocate of a new approach to North Korea, one that would avoid confrontation. Sometimes his advocacy of closer ties with the North

had been seen as akin to treason. Now, as president, he was able to put his ideas into practice. Basically, Kim abandoned formally in public any idea of taking over the North. References to “unification policy” were dropped, in favor of a more general “policy towards the North.” These new efforts at engagement of the North were named the “sunshine policy,” and Kim Dae-jung would stick to it throughout his presidency, in the face of domestic attacks and the North’s reluctance to engage.

Despite the latter, and despite what some saw as North Korean provocation, including a second submarine intrusion in June 1998 and a major naval clash in the Yellow Sea a year later, Kim Dae-jung continued to emphasize that his government was not planning to takeover the North and that South Korea was willing and able to help the North out of its severe economic difficulties. He encouraged non-governmental contacts with the North, including the Hyundai Corporation’s tourist trips to the Kumgang (Diamond) Mountains. Eventually, in the spring 2000, the North responded positively, and the first ever North–South summit took place in June 2000. When the North’s *de facto* leader, Kim Jong-il appeared to be more human than expected, a short-lived wave of pro-North euphoria swept South Korea, to the chagrin of many South Korean conservatives.

Yet there were few who could deny that the summit was an outstanding achievement. The June 2000 summit, if it had done nothing else, seemed to secure Kim Dae-jung’s place in history. The award of the Nobel Peace Prize later that year seemed to confirm this.

The euphoria did not last long. Contacts between North and South did flow from the June 2000 summit, and the North found itself being courted diplomatically by

countries such as Great Britain and Germany that had hitherto been hostile. But even before the end of 2000, it was clear that the North–South relationship was not going to develop smoothly. The summit had envisaged a return visit by Kim Jong-il to South Korea, which did not materialize. Exchanges at lower levels could suddenly be halted by the North, usually on some perceived insult or another. Before long, the tone of the North Korean media had once again become critical of South Korea.

Many South Koreans, for their part, remained cautious about the growing links that were developing between North and South. Visitors to the North were watched carefully not only by the NIS, but also by the press and opposition parties, in case they appeared to be endorsing or supporting the North’s position on unification or related matters. In August 2001, for example, some of those who had been allowed to attend the Liberation Day festivities in P’yongyang were much criticized for taking part in the ceremonies surrounding the opening of a monument to the late Kim Il-sung’s principles for reunification. Others were questioned about what they had written at Mangyongdae, Kim’s birthplace.

Despite such setbacks, North–South contacts moved forward, though at a painfully slow pace. Interfamily exchanges, though still involving painfully small numbers and subject to sudden cancellations, became more institutionalized, with an eventual agreement on a permanent meeting place. The Hyundai-organized tourist visits to Mount Kumgang continued, despite the huge financial burden they had become on the group and the inevitable loss of interest as few wanted to go for a second visit under the heavy restrictions that the North Koreans imposed. Work on connecting the cross-border roads and railways, also promised at the 2000 summit, made little progress. The North

demanded help with earth-moving and other equipment but seemed unwilling to start the work. Yet by 2003, there was minor progress, and the once sealed DMZ had begun to see some cross-border traffic.

Kim Dae-jung stuck to his principle of engagement right to the end of his presidency. However, as time passed, it became clear that the events surrounding the 2000 summit had been rather murkier than they had first seemed. Allegations of large sums paid to the North to agree to the summit were heard almost as soon as it had been announced. Over the next three years, they would be confirmed. Even though this could be seen as money well spent as North Korea and its leadership were drawn out of their shells, the secrecy and denials tainted the image both of Kim Dae-jung and his sunshine policy.

Kim's domestic political legacy was also mixed. Despite Kim's personal reputation for probity, repeated corruption scandals marked his administration as they had done that of his predecessor. A similar set of violent accidents to that which had rocked Kim Young-sam's government also showed that problems of shoddy work and evaded standards were not confined to one presidency. Neither did Kim Dae-jung move away from his predecessors' stand on civil rights' issues as time passed. The NIS's role in domestic politics continued and the oppressive weight of the National Security Law (NSL) only began to be lifted, in very tentative fashion, when the apparent major change in North-South relations of June 2000 seemed to mark a possible permanent shift of approach by the North. When North-South rapprochement became more problematical, the will to change the NSL also faded.

Part of Kim Dae-jung's reluctance over changes in the security system may have

been initially prompted by his political alliance with the ULD and Kim Jong-p'il. The latter, after all, was the original begetter of the KCIA, the forerunner of the NIS, and a man closely associated with the repression under Park Chung-hee. But if Kim Dae-jung conceded some ground to Kim Jong-p'il on the narrow area of security policy, he effectively broke his pre-election pledge to introduce a cabinet system of government. To do so would have meant a major diminution of presidential power, and once he had obtained the office, Kim Dae-jung, again like his predecessor, showed no sign of being willing to do that. (In party matters too, Kim Dae-jung showed himself as determined as previous leaders to retain power as far as possible in his own hands.) Tensions over issues such as this led the ULD to withdraw from the coalition at the end of 1999. They would re-enter it again, but in the long term, the strains between Kim Dae-jung and Kim Jong-p'il would lead the latter off on his own once again.

One area where Kim Dae-jung tried and failed to change South Korean attitudes was over the regional approach to politics. Although he himself had been elected largely on a regional vote, he tried to move politics away from such as base. However, the April 2000 National Assembly elections showed that regional differences were as strong as ever. Kim Dae-jung's party, now known as the *Minjudang* (literally the Liberal Party, but the party uses the name Millennium Democratic Party (MLD) in English), came in second after the former ruling party, the Grand National Party, as the former Democratic Liberal Party became in 1997. Only by attracting some stray independents, and eventually renewing the alliance with the ULD, was the MLD able to command a majority in the assembly. The very low voter turnout on this occasion, at 57.2 percent, indicated a growing disillusionment with party politics. Another indication of the same

trend was the emergence of “citizens’ groups” who before and during the election took upon themselves to pass judgments on the suitability (or otherwise) of candidates for election. For most South Korean politicians, these signs of a growing political sophistication on the part of the electorate were not very welcome.

As though these problems were not enough, the last months of Kim Dae-jung’s presidency were haunted by two old demons. One was corruption. Although Kim was regarded as personally incorrupt, the methods used to bring North Korea to the summit, the tax investigations of leading opposition newspapers, and the arrest of his sons on bribery charges tainted his image, as similar problems had done his predecessors.

The other burden he faced in his last months was the return of the North Korea nuclear issue. Kim’s sunshine policy towards the North had been paralleled by the willingness of the United States under President Bill Clinton, also to engage with North Korea. By the end of 2000, while there clearly remained problems, the U.S. had moved to a point where it was seen as only a matter of time before North Korea was removed from the State Department’s “terrorism list.” The visit of U.S. Secretary of State Madeleine Albright to P’yongyang in 2000 seemed to hold out hope of major progress in U.S.–North Korean relations.

The election of President George W. Bush changed all that. The new administration from the start indicated that it did not agree with its predecessor’s policies on a number of countries, including North Korea, and that these would be subject to review. The North Koreans reacted with hostility.

President Kim Dae-jung, feted in Washington under Clinton both as a great democrat and the man who had brought imagination to bear on the North Korea policy

found on his visit early in 2001 that the new U.S. president was skeptical about the policy and apparently, personally hostile to the North Korean leader, Kim Jong-il. President Bush announced that the Clinton policy of engagement would be put on hold while a review would be conducted of U.S. policy toward North Korea.

The review, when concluded, came to much the same view as had Clinton; whether one liked the North Koreans or not, it was necessary to engage. But although the United States continued to be the main supplier of food to North Korea through the World Food Program, and although some contacts between the two countries continued, the atmosphere between the United States and North Korea was increasingly one of hostility. Even North Korea's relatively quick move to express condolences to the American people and to condemn terrorism after the 11 September 2001 attack on the World Trade Center failed to shift the American stance. President Bush appeared to further undermine Kim Dae-jung's position when in his January 2002 State of the Union message to the United States' Congress, he described North Korea, together with Iraq and Iran, as part of a worldwide "Axis of Evil." This was followed by references for the need for better verification of controls on the North Korean nuclear program than had been provided for by the 1994 Agreed Framework, and suggestions that North Korea should also reduce its conventional weapons.

As 2002 progressed, relations between North Korea and the United States went progressively downward. Kim Dae-jung did what he could to keep his sunshine policy in place, but the struggle became harder as the U.S. pressure built up and revelations about how the 2000 summit had been arranged indicated that the North Koreans had been only willing to move for payment. For their part, the North Koreans did little to help Kim,

although contacts and exchanges between North and South continued.

In August 2002, a ceremony took place at Kumho to mark the first concrete pouring for the light water reactors promised under the 1994 Agreed Framework. But the atmosphere was already tense, with the North Koreans complaining that the project was years behind schedule, and the Americans hinting that before there could be more progress, the North Koreans would have to submit to a full inspection of their existing nuclear facilities. The U.S. continued to express willingness to talk to the North Koreans, however, and a visit by the State Department's assistant secretary of state for Asian affairs, James Kelley, was planned for October 2002. At the meeting, instead of discussing the broad range of subjects that the North Koreans expected, Kelley concentrated on one point, accusing the North Koreans of engaging in a second nuclear program, involving enriched uranium. When confronted with this allegation, according to the Americans, the North Koreans admitted that they were engaged in such a program, but argued that they were entitled to do so since the U.S. continued to target them with nuclear weapons. By the time that Kim Dae-jung left office in February 2003, the situation had deteriorated further. North Korea threw out the IAEA inspectors at Yongbyon and claimed to have restarted the plant there. North Korea had also announced its intention to withdraw from the Nuclear Non-proliferation Treaty, which it formally did in April 2003.

Kim Dae-jung continued to stand by the policy of engagement, despite all the problems. It must also have struck a resonance with the South Korean people, for in November 2002, they elected as his successor a former lawyer, Roh Moo-hyun, who was both in favor of continued sunshine and came from a radical background, rather than the

conservative Lee Hoi-chang of the Grand National Party. To many, this marked the end of South Korean politics as they had developed from the 1970s, sometimes known as the “era of the three Kims.” In a sense, that era was not quite over. Kim Young-sam and Kim Dae-jung were indeed now gone from the political stage, but one Kim remained. Kim Jong-p’il was still leader of the United Liberal Democrats. In reality, however, there now seemed little chance that even that great survivor would again gain power. South Korea in February 2003 entered a new political stage, despite many old problems remaining.

ECONOMIC DEVELOPMENT

The background: Economic Development before 1945

The story of South Korea’s economic development has been remarkable, and it still amazes many people. From being one of the poorest countries in the world, lagging even behind its rival in the north, South Korea by the mid 1990s was a member of the Organization for Economic Co-operation and Development, with 11th largest economy in the world. Even though it was badly hit by the 1997 Asian economic crisis, and suffered briefly from negative economic growth, within two years, its economy had bounced back.

The Koreans began with much against them. The peninsula might be beautiful, but its mountains and steep valleys have always severely limited the amount of land available for dwelling and cultivation to about a fifth of the total. Traditional Korea before the days of Japanese colonization had been an agricultural society, with the main emphasis on rice growing. By all accounts, Koreans were good rice farmers, able to produce crops in the most difficult conditions. They also developed double cropping techniques that are still of value today. Korea was not as isolated from the mainstream of

East Asian economic trends as is sometimes implied. The Korean court sent missions to both Imperial China and Tokugawa Japan that served the dual purpose of maintaining political links and allowing trade. The intrusion of the West into Asia in the 19th century also affected Korea in economic terms before the Japanese forced a reluctant Korean court to sign its first “unequal treaty” in 1876. The early Western merchants arriving in Korea found that simple Western goods such as matches were already on sale, brought in by enterprising Chinese and Japanese peddlers. That said, the opening up of Korea to Japanese and Western commerce after 1876 did have a major effect on Korea. Railways, roads and modern buildings all now made their appearance.

The pace of economic change quickened under the Japanese after 1910. This is an area of much sensitivity in modern Korea, and one on which much work remains to be done. There have been many publications in recent years showing that there were benefits as well as disadvantages for the Koreans under colonial rule. The Japanese expanded the basic infrastructure that they inherited in 1910, adding new railways, tramways, and roads to those already in existence. By the mid-1930s, the peninsula was linked by air to Japan and China, and a broadcasting system was in place. Banks and financial institutions brought Koreans into the new world of capitalism, where they were also introduced to modern department stores and factories, even if such developments generally affected only a few. Japanese *zaibatsu*, or conglomerates, would later provide a model for South Korean economic development. Education, though severely limited at the upper levels, became a general part of Korean life. Of course, these developments were largely undertaken for the benefit of the colonial rulers, but there were gains for Koreans as well. But as Japan moved onto a war footing after 1937, Koreans found

themselves called upon to work more and more for Japan. Pressures of war meant that by the Japanese surrender in 1945, many of the economic gains of the 1920s and 1930s had been lost. Factories and railways were worn out, the land suffered from lack of fertilizers and there had been massive deforestation. The workforce, too, was exhausted by the unremitting demands of the war economy.

Economic Development 1945–1961

The division of the Korean peninsula in 1945 dealt South Korea a severe blow. From 1910 onward, the peninsula had been developed on a unified model. Much heavy industry was in the northern part, which also supplied hydroelectric power and had the natural resources required for industrialization. The southern half of the peninsula was the agricultural center of the country as well as the home of much of the new light industry that developed in the Japanese period. Between 1945 and the emergence of separate states in 1948, the economic links between the two halves of the peninsula were steadily broken; they were to remain so until the late 1990s.

The departure of the Japanese also dealt Korea an additional blow. With the Japanese went their expertise in engineering, banking, and finance. There was also an outflow of capital. As the nature of the new regime in the northern half of the peninsula became clear, many fled to the South, while at the same time there was a huge inflow of Koreans returning from all over the defeated Japanese empire, pushing up what seemed an already large population. Estimates put the increase of the population of the southern half at between two and three million between 1945–48.

The division had left South Korea's mostly light industries, depending entirely on

North Korea's supply of electric power (95 percent) and chemical fertilizers (100 percent), as well as coal, the main source of fuel, and timber. When the supply of these vital commodities was cut off, the economic consequences were devastating. Almost all industrial establishments were forced to close down because of the shortage of electric power, and food production was sharply reduced due to the shortage of fertilizers. A 1948 World Bank report indicated that the South Korean economy was "close to the bottom of the international economic scale and without the benefit of sufficient supply of natural resources." South Korea had virtually no highly trained scientists, technicians, economic experts, or managerial personnel as a result of the Japanese policy that did not allow Koreans to be trained in these fields, and the American military government had done virtually nothing to bring about economic improvement.

The United States sent U.S. \$525 million to South Korea between 1945–48 in the form of essential goods, grants, and loans. This support, together with United Nations assistance, kept the population from starving and allowed some economic rehabilitation. The new South Korean government also made efforts to improve economic conditions. An economic reconstruction program began with land reform, which was carried out in June 1949, when all farmlands (excluding fields where special crops such as tobacco and ginseng were grown) not cultivated by the owners, and holdings of more than 7.5 acres of farmlands owned by owner-cultivators were purchased by the government. The government, in turn, sold these lands to the farmers, charging lower prices than it had paid to the former owners, and providing the opportunity to pay in a long-term installment scheme. Around 1.5 million farmers acquired some 1.2 million acres of land. With this the system of absentee landlordism was abolished, and the amount of grain

produced rose from 4.6 million tons in 1948 to 5.2 million tons by 1950. The construction of three new railroads and the development of the coal industry helped manufacturing industries to operate their factories as the per capita gross national product (GNP) grew to \$68 million in 1950.

The 1950–53 Korean War wiped out such gains as were made. Millions died, and millions more were affected by the loss of family members. Two million additional refugees ended the war in South Korea. Schools, homes, and over 40 percent of industrial installations were destroyed. Total property damage from the war was estimated at U.S.\$2 billion, the same as South Korea's Gross National Product (GNP) in 1949. Agricultural production in the South fell by 27 percent between 1949–52, while total GNP fell by 14 percent during the same period. Inevitably, in the war and thereafter, expenditure on the military came to occupy a disproportionate share

Once again, South Korea was kept going by economic assistance from the United States and the United Nations. By 1960, aid from these two sources amounted to over U.S. \$2 billion dollars. Theoretically, a 1953 national plan, produced by the Office of National Planning, was originally established in 1948, but obviously not functioning during the war. In practice, Syngman Rhee's interest in economic matters was limited and little was done. Rhee was happy to concentrate on security issues and his own political survival. There was little industrial development, and a heavy reliance on the import of foreign food and consumer goods. The result was rampant inflation and slow growth. By the end of the 1950s, despite the aid received, South Korean per capita income was still only about \$74, making it one of the world's poorest countries. As with the colonial period, however, all was not as black as it is sometimes painted. Post-war

reconstruction of new railroads, highways and roads, and power plants and an increased supply of fertilizer contributed to a formal growth rate that averaged 5.1 percent. Korean companies began to take the place left by the departing Japanese.

The government maintained the free enterprise system until 1962 when the military junta adopted various economic development plans and increased central control; the system remained nominally “capitalist,” but owed much to Japan’s pre-war experiment in state-directed development in Manchuria. While the new military leaders had no ready-made blueprint for economic development, they were determined to make South Korea an economic success. Significant economic growth began following the implementation of the first Five-Year Economic Development Plan (1962–66) by the military junta, accompanying sustained expansion of exports with large U.S. grants and foreign loans. The normalization of relations with Japan in 1965 brought additional economic assistance, contributing substantially to economic development.

South Korea’s GNP grew annually by 7.4 percent between 1962 and 1981, during which period four successive Five-Year Economic Development Plans were successfully completed, bringing the nation’s GNP to \$66.2 billion with per capita GNP of \$1,605 by 1981. The high rate of increase in GNP and personal income was accompanied by rising ratios of investment savings, exports, and by a basic structural change. Whereas the first Plan promoted import-substitution industries, the second Plan laid the foundation for a modern industrial structure, promoting exports; and the third Plan, achieving between 8.6 percent and 10.1 percent annual GNP growth, brought about the rise of an industrial structure, facilitating heavy industry and modernization of farm villages and rural areas with the Saemaul (New Community Movement). Finally, the fourth Plan established the

foundation of a self-reliant growth structure and the advancement of high technology.

The share of agriculture/fisheries in the GNP decreased from 36.6 percent in 1962 to 18 percent in 1981 while that of mining and manufacturing industries increased from 16.2 percent to 30.9 percent during the same period. The manufacturing industry's share rose from 14.2 percent to 29.5 percent, and while the share of light industry decreased from 73.2 percent in 1962 to 44.6 percent in 1981, that of heavy industry and chemical industry increased from 26.8 percent to 55.3 percent during the corresponding period. The social service industry's share in the GNP also grew. All but the fourth Plan achieved the planned goals. The actual growth rate during this period of the fourth Plan was 5.8 percent per year. Among the factors responsible for this setback were the substantial increase in the price of imported petroleum and raw materials in the late 1970s, a worldwide recession, the rise of protectionist sentiments in the advanced countries, strong inflationary pressures, rising wage rates, and the chaotic situation that developed in South Korea following the assassination of President Park Chung-hee in 1979.

The fifth Economic and Social Development Plan (1982–86), which accompanied the liberalization of the domestic market and the strengthening of exports, was highly successful as South Korea attained a GNP growth rate of 10 percent per year during the period, the GNP reaching the \$95.1 billion mark in 1986 with the per capita GNP of \$2,300, despite the population increasing to 41 million. For the first time, South Korea's exports (\$34.7 million) exceeded its imports (\$31.6 million). In 1986, 8.2 million owner-cultivators cultivated some 5,300,000 acres of farmlands. The production of rice increased from three million tons in 1962 to 5.6 million tons in 1986, achieving near self-

sufficiency in food supply. The total amount of grain production increased from 6.5 million tons in 1961 to 8.5 million tons in 1986. Other important accomplishments in the agriculture and forestry sector were the implementation of a ten-year Resources Development Plan (1972–81), which included the planting of 186.6 million trees in 51,000 acres of land, rejuvenating hills and forest lands.

The most significant economic achievement of South Korea was industrialization, resulting in increasing production of anthracite, electric power, cement, chemical fertilizer, textiles, and the training of scientists and skilled workers. South Korea developed new industries such as automobile, electronics, iron and steel, petrochemical, oil refinery, and shipbuilding. The production of anthracite rose from three million tons in 1962 to 24 million tons in 1985, and that of cement increased from 790,000 tons in 1962 to 16.5 million tons in 1986. While increasing power production from 1,789 million kwh in 1962 to 67,639 million kwh in 1986, South Korea's chemical fertilizer production increased from 83,000 tons in 1966 to 3.5 million tons in 1986. The automobile, manufacturing, and shipbuilding industries made remarkable progress, as South Korea became one of the world's largest shipbuilders and automobile exporters.

These economic development plans brought about the rise of many industrial centers (tax-free industrial zones included), beginning at Kumi in the southeast of the country. Such industrial centers as shipbuilding at Ulsan and on Koje Island; iron-steel and petrochemical works at P'ohang; cement, coal and fertilizer manufacturing at Samch'ok; and automobile manufacturing, electronics plants, and textile factories located at Inch'on and other places had a revolutionary effect on the Korean economy, increasing exports and changing the social life of the people. However, the heavy concentration of

such development in the Park Chung-hee's home area, the southeast, led to resentment in less-favored areas, such as the southwestern Cholla provinces.

In 1987, a sixth Five-Year Economic and Social Development Plan began aimed to increase GNP by 7 percent and exports by 13.3 percent per year. In 1987 alone, the GNP grew to 128.4 billion with per capita GNP of \$3,110, and South Korea's exports (\$47.2 billion) remained greater than its imports (\$41 billion). In this way, South Korea managed to reduce its foreign debts from \$45 billion in 1986 to \$35.5 billion in 1987 as it showed its capacity to bring about continuous economic growth, despite many problems. By 1991, GNP was \$284.8 billion, or \$6,498 on a per capita basis.

The political changes that marked Roh Tae-woo's presidency led to a relaxation of some of the hitherto tight controls on labor in South Korea. Yet despite various problems caused by labor disputes and appreciation of the won currency, South Korea achieved 12.2 percent GNP growth in 1988. Per capita GNP jumped from \$3,098 in 1987 to \$4,040 in 1988 when the inflation rate of consumer goods was 7.5 percent. More than 500,000 new jobs were created in 1988 as the percentage of unemployment remained at 2.5 percent. South Korea's exports grew by 28.3 percent to \$60.7 billion (\$47.3 billion in 1987), while its imports rose by 26.3 percent to \$51.8 billion (\$41 billion in 1987), making South Korea one of the world's 10 largest trading nations. With the increase in exports, by the end of 1988, South Korea had reduced its foreign debts from \$35.6 billion in 1987 to \$31.2 billion.

South Korea's economic growth slowed down after 1988. Labor costs rose, as the average annual rate of wage increase between 1988 and 1991 reached 20 percent following the adoption of a minimum wage system and several labor strikes. The

increasing wages of urban workers brought about a shift in income of urban and farm households; in 1988 the annual average urban household's income was \$11,938 while that of farm households was \$12,507. By 1991, the respective figures were \$18,537 for urban households and \$17,473 for rural. The dollar/won exchange rate was 1 to 680 in 1988, 1 to 700 in 1990, and 1 to 750 in 1991. The inflation rate of consumer goods in 1989 was 5.2 percent, but had jumped to 9.5 percent in 1991.

Mainly because of rising wages and importation of foreign goods, South Korea's GNP growth slowed down as its balance of trade shifted from plus to minus. Thus, in 1989 South Korea's GNP growth rate was 6.5 percent raising the GNP to \$204 billion with the per capita GNP of \$4,830. The downward trends in economic development continued in 1990 and 1991 as South Korea's overseas markets shrank due to growing competition from other Asian "Mini Dragons," as well as China. Despite this, South Korea's GNP growth rate in 1991 rose to 8.7 percent with the total GNP of \$272.2 billion and per capita GNP of \$6,498. South Korea's exports grew by 10.5 percent in 1991 reaching the \$71.8 billion mark, but its imports jumped by 16.8 percent to \$81.5 billion, producing a trade deficit of \$9.7 billion, twice as large as the 1990 trade deficit of \$4.8 billion. Of this, \$759 million was with the United States and \$8.8 billion with Japan. South Korea's two-way trade with China, the Soviet Union and former socialist countries grew substantially from \$3.7 billion in 1988 to \$8.1 billion in 1991 with an annual rise of 40 percent. Exports jumped from \$2 billion to \$3.7 billion. However, the annual growth rate of imports from them was 49.8 percent, exceeding the annual growth rate of exports that was 30 percent.

As a result, the trade balance shifted from \$329 million in favor of South Korea in

1988 to a deficit of \$299 million in 1989, \$159 million in 1990, and \$591 million in 1991. Although the trade balance vis-à-vis the Soviet Union and Eastern European and other socialist countries was in favor of South Korea by \$499 million in 1991, South Korea's trade balance with China created a deficit of \$2.43 billion in 1991 (\$1 billion in exports and \$3.4 billion in imports), due primarily to the large amount of agricultural products and medicinal herbs imported from China. Meanwhile, South Korea's market-share in the United States shrank from 4.6 percent in 1988 to 3.5 percent in 1991 as a result of the growing Chinese market-share of goods from 1.9 percent to 4.8 percent during the corresponding period.

GNP growth was sustained by the home market, with the population increasing from 41.9 million in 1988 to 43.9 million in 1991, creating more domestic demands for goods and services, especially in housing and transportation. However, in view of the declining rate of GNP growth, coupled with the growing trade deficit, the South Korean government reduced the share of military spending in the national budget from 33 percent in 1987 to 30 percent (4.37 percent of the GNP) in 1988. It was further reduced to 27.6 percent (3.77 percent of the GNP) in 1991, and 25.3 percent (3.71 percent of GNP) in 1992. The government announced in May 1992 that military spending would be further reduced to 24.4 percent of the national budget, or 3.69 percent of projected GNP, by 1997. By 1997, however, very different considerations would apply.

In November 1991, the South Korean government announced its seventh socio-economic development plan, for 1992–97. Its targets were to achieve an average annual GNP growth rate of 7.5 percent and to raise the GNP to \$492.6 billion and per capita GNP to \$10,908 by 1996. There would also be a shift from what were by now the

traditional heavy industry sectors towards new high-technology industries, such as computers, precision instruments and electronic goods. But there were growing difficulties in the economy. Growth slowed, inflation grew and the workforce became less and less amenable. Wages, under union pressure, rose rapidly; real wages doubled between 1986 and 1993, much faster than productivity, reducing the competitiveness of Korean goods internationally. There was also an increasing shortage of workers in many areas. South Koreans now refused to do many of the “dirty” jobs necessary in any economic system.

Yet by the mid-1990s, despite all the problems, South Korea seemed set for an indefinite period of single-digit high economic growth, with a balanced budget and a low current account deficit. The government continued to play a major role in directing the economy. President Kim Young-sam’s proclaimed policy of “globalization,” although somewhat imprecise in detail, was seen by many both in South Korea and abroad, as a promise that the South Korean economy would, in due course, open up to the foreign investment and would become more transparent in the process. Economic reform seemed to be promised in the decision to impose a real name system on the financial markets.

A few clouds appeared on the economic horizon early in 1997. The Hanbo group found itself at the center of a crisis as a result of taking on huge loans without proper collateral; the fact that one of the president’s sons was implicated in the affair made what was originally a financial crisis into a potential political issue. Worse was to come. In the summer of 1997, international speculation against the Thai currency led to a collapse of the *baht*, and speculators turned their attention to other Asian currencies. At the same time, another major company, Kia Autos, found itself in difficulties, and looked to the

government to bail it out. There followed a run on the South Korean currency, which quickly showed up the problems of most of the country's financial institutions. The won fell from just over 800 to the U.S. dollar to around 1,700 to the dollar between October 1997 and January 1998. Unemployment soared. By the end of December 1997, foreign exchange reserves had fallen to \$ 5 billion.

The government seemed paralyzed. President Kim Young-sam gave little indication of understanding the seriousness of the situation and did nothing to alleviate it. As the crisis persisted, it was clear that action was needed, and after much soul-searching, the government turned to the International Monetary Fund (IMF) for assistance. The IMF eventually came up with a \$57 billion bailout package just before the 1997 presidential election. There was much dismay in the country at the apparent failure of "the miracle on the Han," and many protested at the "sell out" to the IMF and the forced opening of the South Korean economy that was part of the deal. Demonstrators smashed foreign goods (Japanese pens were one favored target) in protest, while some women donated their gold and jewels to help pay the nation's debts.

The incoming president, Kim Dae-jung, who at first seemed equally as overwhelmed by the enormity of what had happened as Kim Young-sam, pledged to implement the IMF package. In April 1998, the government formed the Financial Supervisory Commission to oversee the restructuring of the economy. By the end of 1998, this body had closed down about 100 financial institutions and more than 50 non-competitive corporations. Organizations closed down included five commercial banks, five securities houses and 16 merchant banks. Other major banks were forced to merge or were sold off to foreign companies. Even the *chaebol* did not escape; among liquidated

corporations were 20 *chaebol* subsidiaries, though the big corporations generally resisted attempts to force them to undertake major structural reform.

Despite these efforts, 1998 was a bad year. GDP fell by over 6 percent. Unemployment continued to rise, reaching 6.8 percent by the end of the year, and peaking at 8.6 percent in February 1999. By then, banks alone had dismissed some 39,000 staff. Over capacity, a near bankrupt banking sector and huge private debt took their toll.

Difficulties continued into 1999, but before long, there were signs of improvement. Inflation dropped to 0.8 percent, the lowest since the days of Park Chung-hee. GNP bounced back, to around 10 percent over the year as a whole. Unemployment, while still high, began to fall and was down to 4.4 percent by November 1999. The won climbed back to about 1,150 to the dollar, and the IMF loan was paid off ahead of time. Inevitably, this led some to question the need for continued economic reform. The government continued to avoid a confrontation with the *chaebol* and showed the old willingness to bale out major companies in difficulties when Daewoo came near to bankruptcy. That the long-established links between the *chaebol* and the government continued in place was shown by the Hyundai group's involvement in North Korea. Although nothing was formally said, Hyundai could not have engaged in such a sensitive business without at least tacit government support.

The pace of recovery was maintained in 2000, though the opening up forced on South Korea by the events of 1997 altered the face of Korean industry and finance. Other problems remain. While the number of *chaebol* shrunk, some of the remainder still have problems. The giant Hyundai group ran into financial difficulties in spring 2000 and

sought government assistance. This was forthcoming but on condition that the group's founder, Chung Ju-yung and other members of his family resigned. There followed a hard struggle, but in theory this requirement was met. There was some disquiet in South Korean society that the pace of recovery had thrown a heavy burden on the poorer sectors of society who were not cushioned as they might have been in the West, but generally South Korea faced the economic future in mid-2000 with a degree of confidence that was remarkable, given the trauma of 1997.

This confidence continued for the remainder of Kim Dae-jung's term of office, despite the setbacks on the political scene. There was not, however, a totally smooth period of economic recovery. If GNP rose by 8.6 percent in 2000, it fell back to 3.6 percent in 2001. This was still respectable compared with other developed nations, but it was not what the Koreans had been used to, and it did not match the steady growth of the Chinese economy. The election year 2002 showed no sign of improvement in growth, which again slumped, from a projected 6.3 percent to 2.9 percent, over the course of the year. The *chaebol* began to go slow on reorganization. Kim Dae-jung, beset with other problems, now seemed as bemused about the economy as his predecessor had been in 1997.

Yet the positive outweighed the negative. The won slowly appreciated in value against the dollar; in May 2002, the exchange rate was Won 1,325 to the dollar, but a year later, it was at 1,200 and still rising. Foreign exchange reserves reached U.S. \$121.41 billion in December 2002, the fourth largest in the world. The trade surplus for 2002 was \$10.8 billion, with exports at \$162.82 billion, and imports at \$152.02 billion. Per capita income in December 2002 was \$8,900 compared with \$706 in North Korea.

While the great growth days of the 1960s and 1970s might be long past, all the signs were that the “miracle on the Han” was still in business.

EPILOGUE

The 20th century was hard on the Koreans. Loss of sovereignty, division, and war all took their toll. From time to time, hopes have been raised only to be dashed again. 1945 was one such moment; perhaps 1950 was another, when war seemed likely to end the division of the peninsula. The breaking of the long deadlock between North and South in 1971–72 was certainly seen as hopeful, but it and subsequent North–South contacts ended as they had begun, with each side cut off from the other once more. The meeting between Kim Dae-jung and Kim Jong-il in 2000, however it was brought about, and however unrealistic some of the expectations that it raised, has nevertheless proved more productive than the earlier contacts. Substantive links between North and South now seem to have been forged that will be hard to break. South Korea’s recovery from the economic doldrums of 1997 means that it can continue to afford to fund involvement in the North, and President Roh Moo-hyun seems keen to continue doing so.

The North Korean nuclear issue, of course, remains as a major problem, compounded by the ambiguous role of the United States under President George W. Bush. The signs are, however, that whatever President Bush’s personal dislike of North Korea’s Kim Jong-il, and whatever the wishes of the so-called neo-conservatives, a peaceful solution will emerge, though it might take some time. In the meantime, South Korea’s engagement efforts will continue to produce results. Unification is probably some way off, but all seem agreed that the best way to get there is peacefully. Perhaps

then, the 21st century will be kinder to the Koreans.