South Korea in 2014

A Tragedy Reveals the Country's Weaknesses

ABSTRACT

The Sewol ferry tragedy revealed weaknesses in South Korea's politics, economy, and society that had been sidestepped during economic development and political transition. The split in local elections, the Saenuri Party's sweep in by-elections, and the installation of critics of President Park as leaders of the ruling party all underscore the public's rejection of political stonewalling or politicking-as-usual.

KEYWORDS: Sewol tragedy, government lapses, opposition failure, social activism, reforms

FOR SOUTH KOREA, 2014 GOT OFF to a good start: in December 2013, President Park Geun-hye and her ruling Saenuri Party ended the legislative deadlock that saw no bills passed for over three months. This was achieved by yielding to opposition demands to install special reform committees, one to deal with the National Intelligence Service for alleged electioneering and interference with voting, and one for local elections.¹ The president's mix of concessions and resolve translated into high approval ratings—about 60%—that distinguished her as one of the country's most popular chief executives in a second year in office, while reinforcing support from her party in the legislature. Equally important, the opposition, which seemed set for self-destruction with the split between the Democratic United Party under Moon Jae-in and the launch of Ahn Cheol-soo's New Political Vision Party, was galvanized into a coalitional-alliance. This New Politics Alliance for

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1. "Motions Pass for Two Committees," *Korea Joongang Daily*, December 6, 2013, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2981625&cloc=joongangdaily|home|newslst>>.

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Democracy (NPAD) underpinned hopes for a viable political opposition party.

Further, security concerns in South Korea immediately following North Korea's internal purges were largely unrealized;² indeed, notwithstanding uneasy relations, a reunion of families separated by the Korean War occurred on February 21, 2014, the first in four years.³ President Park continued to be warmly received in the West: for instance, her visit to Germany boosted economic ties and paved the way to outline a reunification plan for North and South Korea, a significant follow-through on her campaign pledge of engagement with the North. On several dimensions, then, the country seemed on track to reap the rewards from political transition and economic development.

The Sewol ferry disaster of April 16 brought South Korea up short. The tragedy ended with more than 300 dead or missing, mostly high school students on a trip to the resort island of Jeju. Grief gave way quickly to public anger as information emerged over the government's slow and bungled response, the media's uncritical parroting of government efforts,⁴ and the safety violations of the shipping company. It became evident that the accident occurred amid the spirit of "*ppalli ppalli*" (hurry, hurry) that subverted safety rules in the drive for economic profits.⁵ The subsequent protests and sit-ins show that the public has put the government, public servants, and businesses on notice of their demands for greater accountability and meaningful reforms.

At the same time, despite these signs of dissatisfaction, local elections in June saw a split between support for the government and the opposition alliance, with eight seats going to the government and nine in the NPAD's favor. This was followed by a big win, 11 to 4, for the ruling Saenuri Party in

2. It should be noted that the North proceeded to fire mid-range missiles during the U.S.-Korea-Japan summit in late March. See "North Korea Test-Fires 30 Missiles into Sea of Japan," ABC News, Canberra, Australia, March 22, 2014, <<http://www.abc.net.au/news/2014-03-22/an-north-korea-test-fires-30-missiles-into-sea/5338664>>.

3. "North and South Korea Hold First Family Reunion in Three Years," CNN International, February 21, 2014, <<http://edition.cnn.com/2014/02/20/world/asia/koreas-reunion/>>.

4. "Sewol Families Bring Anger to Park," *Korea Joongang Daily*, May 10, 2014, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2988947&cloc=joongangdaily|home|top>>.

5. "Culture Closely Tied to Korea's Vulnerability to Disasters," *Korea Herald*, May 13, 2014, <<http://www.koreaherald.com/view.php?ud=20140513001280>>.

the July by-elections. Taken together, the protests and election outcomes underscore public demands for substantive reforms—not politicking-as-usual or political stonewalling—to address South Korea’s political and economic weaknesses exposed by the tragedy.

POLITICAL WEAKNESS

The Sewol tragedy threw light on at least two weaknesses in politics: the government’s lapses that exacerbated problematic political performance, and the opposition’s failure to concretize its principles to become a viable competitor. While the two electoral outcomes in 2014—a 9 to 8 split in the NPAD’s favor in the local elections of June 30 and a 11 to 4 landslide in favor of the Saenuri Party in the July 31 by-elections—were more detrimental to the opposition NPAD alliance than to the ruling party, the continued lack of substantive progress on President Park’s chief programs will likely fan public dissatisfaction and further protests.

Government Lapses

An important measure of effective governance is the executive’s ability to implement the policy agenda with legislative support.⁶ Executives in countries with term-limited constraints such as South Korea need to be attentive to public sentiments and *opposition* ideas, in addition to concerns of their party colleagues, to drum up support for the policy agenda. Specifically, studies show that legislators are more willing to challenge the president’s policy agenda if there is low public approval for the incumbent, and when faced with a term-limited president in the final term.⁷ President Park’s failure to relate to the public and her generally unconsultative style with both the opposition and Saenuri were clear after she took office,⁸ but the political costs of this style came into focus with the Sewol disaster. In particular, its

6. See, for instance, José Antonio Cheibub, Adam Przeworski, and Sebastian Saiegh, “Government Coalitions and Legislative Success under Presidentialism and Parliamentarism,” *British Journal of Political Science* 34 (2004), pp. 565–87; Ernesto Calvo, “The Responsive Legislature: Public Opinion and Law Making in a Highly Disciplined Legislature,” *ibid.*, 37 (2007), pp. 263–80.

7. Calvo, “The Responsive Legislature.”

8. Yul Sohn and Won-Taek Kang, “South Korea in 2013: Meeting New Challenges with the Old Guard,” *Asian Survey* 54:1 (2014), pp. 138–44.

aftermath illuminated several strategic lapses on the part of the president that encumbered her policy agenda. These included the following:

- her failure to take responsibility and apologize for her government's inadequate responses—she delivered the first official apology 13 days after the incident—which failed to take into account public sentiments for leadership accountability;
- her failure to appoint a suitable replacement for Prime Minister Chung Hong-won, who offered his resignation to take place following the resolution of the Sewol incident, which demonstrated incomplete vetting of candidates for an important position;
- her subsequent push for legislative approval of unsuitable or controversial nominees for other ministerial positions or public office, including Kim Myung-soo, accused of plagiarism, for Education minister; Lee Byung-kee, nominee for chief of the National Intelligence Service (NIS), who was incriminated in illegal political funding; and Chung Sung-keun, nominee for Culture minister, who had a record of drunk driving. These choices further strained relations with the opposition and within Park's own ruling party.

At a minimum, these strategic lapses increased friction with the legislature and resistance to the president's policy agenda. Worse yet, the lapses revealed a lack of commitment to her own policy agenda, which undergirded her successful run for the presidency in 2012. One egregious choice was Park's first nominee for prime minister, former prosecutor and retired Supreme Court Justice Ahn Dae-hee, who was hard-pressed to explain his 1.6 billion won (US\$1.5 million) income between July and December 2013. This windfall, for many Koreans, recalled the sort of "sweetheart deals" between business and former public servants that have underpinned regulatory lapses such as the Sewol disaster.⁹

Not surprisingly, these lapses affected the President's approval ratings; importantly, they also contributed to the election of a Park critic, Kim Moo-sung, as Saenuri Party chair.¹⁰ Kim, himself a political heavyweight rumored to have presidential ambitions, and other party critics of Park, are

9. "Ahn Vows to Give Away His Five-Month Windfall," *Korea JoongAng Daily*, May 27, 2014, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2989748&cloc=joongangdaily|home|newslist>>.

10. "Culture Minister Nominee Withdraws," *Korea Herald*, July 16, 2014, <<http://www.koreaherald.com/view.php?ud=20140716000616>>.

likely to compound difficulties for the lame-duck president. The tensions are clear: since election as party chair in July 2014, Kim and other Park critics have raised the issue of constitutional revision, which Park publicly rejects although it was one of her campaign pledges. Kim has also demurred on Park's moves to pass reforms to the civil servant pension system, on grounds that the timing is secondary to actual reforms.¹¹ The scrutiny of and resistance to Park's agenda are likely to increase over time, given Kim's stance when running for party leader and his interest in the 2016 presidential race.¹²

Opposition Failure

The institutionalization of political party systems represents an important development in emergent democracies: the process sees parties displace personalistic politics or candidate-centered politics to perform as recurring sources for aggregating voters' interests into cogent political agendas based on programmatic contestation that undergirds executive-legislative relations.¹³ Party volatility in Korea means that this aspect of democratization has remained elusive, so that political networks or personalities persist in politics. The founding of the NPAD alliance—launched in April 2014 with two co-chairs, the independent representative and former presidential candidate Ahn Cheol-soo and Democratic Party chair Kim Han-gill, hot on the heels of Ahn's establishment of his New Political Vision Party—offered the possibility that the tide has finally turned. The subsequent failure of the NPAD alliance to do just that, particularly in the context of President's Park unconsultative style and subsequent hit from the Sewol disaster, is troubling.

NPAD appeared to be on track to bring “new” politics to challenge the predominant “politicking-as-usual” with its initial resolve on party-nomination reforms. In particular, the alliance hewed to the 2012 presidential candidates' pledge to reform the closed-door party-nomination process,

11. “Speculation Increases over a Presidential Rift,” *Korea JoongAng Daily*, October 23, 2014. <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2996390&cloc=joongangdaily|home|newslst>>.

12. “Saenuri Elects Its New Party Chair,” *ibid.*, July 15, 2014. <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2992028&cloc=joongangdaily|home|top>>.

13. See, for instance, Scott Mainwaring and Edurne Zoco, “Political Sequences and the Stabilization of Interparty Competition: Electoral Volatility in Old and New Democracies,” *Party Politics* 13 (2007), pp. 155–78.

blamed for feeding corruption and a primary source of public distrust.¹⁴ However, while the NPAD pushed hard for the reform, the Saenuri Party reversed itself: it maintained party-nomination of candidates, although it opened the party primary to both people affiliated and not affiliated with Saenuri to cast ballots for candidates.¹⁵ Meanwhile, rifts arose within the NPAD over the value of scrapping the party-nomination process, particularly since the Saenuri Party's reversal improved the electability of Saenuri candidates.¹⁶ The rifts became a revolt. Leading NPAD members such as Gwangju's Mayor Kang Un-tae and party spokesperson and Representative Lee Yong-sup quit the party over party-nominations. In the aftermath, the NPAD reversed itself; to its further detriment, co-chair Ahn picked candidates close to him for the local races.¹⁷

This double reversal, on the principle of "new" politics, followed by inconsistent and opaque party-nominations, fed the 11 to 4 hammering in the by-elections. A total of 20 NPAD party leaders, including co-chairs Ahn and Kim, resigned from their leadership posts to take responsibility for the trouncing.¹⁸ NPAD floor leader Park Young-sun was elected to fill the chair position, but she too resigned from her posts following internal party rancor over her efforts to advance the Sewol investigation committee. In October, a new floor leader, Woo Yoon-keun, associated with the pro-Roh Moo-hyun faction of the NPAD, was elected.¹⁹ Clearly, the new leader faces considerable headwinds in charting a new course for the fractured and fractious NPAD.

14. "Park Geun-hye Stresses Fair Nomination Standard for General Elections," Yonhap News Agency, December 1, 2011, <<http://english.yonhapnews.co.kr/national/2011/12/01/21/0301000000aen20111201011700315f.html>>.

15. "DP Chair-Ahn Meeting Yields No Results," *Korea Herald*, February 27, 2014, <<http://www.koreaherald.com/view.php?ud=20140227001109>>.

16. "NPAD Keeps Focus on Nominations," *Korea Joongang Daily*, April 7, 2014, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2987515&cloc=joongangdaily|home|newslst>>.

17. "Ahn's Nominations Cause Schisms within NPAD," *ibid.*, May 14, 2014, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2989123&cloc=joongangdaily|home|newslst>>.

18. "Co-chairmen Quit Amid Election Rubble," *ibid.*, August 1, 2014, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2992867&cloc=joongangdaily|home|top>>.

19. "Three-term Lawmaker Elected as Main Opposition's New Floor Leader," Yonhap News Agency, October 9, 2014, <<http://english.yonhapnews.co.kr/national/2014/10/09/50/0301000000AEN201410090005051315F.html>>.

ECONOMIC WEAKNESSES

South Korea's economic growth, which picked up in 2013, was expected to hit 3.9% in 2014; however, a weakening led the government to revise estimates downward to 3.7%.²⁰ Still, this is the highest growth for the country in four years. However, analysts warn that the estimates, driven largely by a \$40 billion stimulus announced in July and a wider government fiscal deficit expected for 2015, may be optimistic. More important, the stimulus spending underpinning the growth is unlikely to get to the heart of the "economic democratization" program, a key 2012 Park campaign pledge.

Park's "economic democratization" promised to target reform of the *chaebols* (business conglomerates); however, that effort died early in the face of resistance from the owners of these business conglomerates. In March 2014, the president made another stab, starting from the other end of the spectrum, aimed at improving regular Koreans' lives and livelihoods. Her "474" economic blueprint for the rest of her term encompassed goals of \$40,000 per capita income, 70% employment of the total population, and a 4% growth rate.²¹ On the one hand, the president's inclusion of key strategies, including the overhaul of public institutions and reform regulations, was generally considered on-the-mark to revive the economy.²² On the other hand, it did not significantly depart from the "747" targets set by her predecessor, former President Lee Myung-bak, although the new targets appeared to be more reasonable.

More to the point, specifics for the economic blueprint remain lacking, so implementation lags significantly. Thus, for instance, the Creative Economy Panel was launched in March to target funding for small- and medium-sized start-ups and to reform regulations, following the failure of similar initiatives

20. "South Korea Plans \$40 Billion Stimulus to Tackle Weakening Growth," *Wall Street Journal*, July 24, 2014, <<http://online.wsj.com/articles/south-korea-plans-spending-to-tackle-weakening-growth-1406163844>>.

21. To put the 70% employment in context, consider that Korea's gross domestic product (GDP) growth of 2.3% in 2012 saw employment of 64.2% of the country's population, which translates to 3.2% unemployment of the working population. See Asian Development Bank, <<http://www.adb.org/data/sdbs>>; and "474 Plan a Stretch, Economists Say," *Korea JoongAng Daily*, January 14, 2014, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2983465>>. The article in the *Korea JoongAng Daily* clarifies that "to achieve the 70 percent employment goal, the government would have to create 520,000 new jobs each year" to reach the targets in 2017.

22. "The Government's Economic Reform Plan," KBS World, March 3, 2014, <http://m.world.kbs.co.kr/contents/program_economyplus_detail.htm?no=42758>.

by the Finance Ministry in 2013. However, the ambitious four trillion won (US\$3.8 billion) fund has yet to publicize any specific measures to support start-ups.²³ With such omissions, it is doubtful that the country will come close to achieving the economic goals laid out in the blueprint by their target dates by 2017.

FOREIGN RELATIONS

Foreign relations in 2014 were uneven: South Korea fared better with the larger world than with its immediate neighbors, particularly North Korea and Japan. The warm reception for Park's foreign visits in Western industrialized nations contrasted with the tensions with North Korea and the diplomatic standstill with Japan. Relations with China were on a good footing, with the exchange of high-level diplomatic visits including Park's visit to China in June and President Xi Jinping's visit to South Korea—before North Korea—in July. However, South Korea's absence from the China-led initiative, the Asia Infrastructure Investment Bank, whose \$100 billion authorized capital (\$50 billion from China alone) will be used to support infrastructure projects in developing countries, may strain relations.²⁴

South Korea was on high alert following internal purges in North Korea in 2013 because of concerns that the North would externalize its power struggles with military provocations against the South. The relief, then, was palpable when such externalization failed to materialize. The subsequent reunion-visit for families separated by the Korean War gave hope that North and South may be on track to improve relations. However, high-level talks in February 2014—the first in seven years—broke down. The possibility of resuming talks remains hampered by the North's insistence that the U.S. transfer to the South wartime operational control of Korean troops.²⁵ The transfer had

23. "Creative Economy Panel Gets Started," *Korea JoongAng Daily*, March 8, 2014, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2986022&clcc=joongangdaily|home|newslist1>>.

24. "Three Major Nations Absent as China Launches World Bank Rival in Asia," Reuters, October 24, 2014, <<http://www.reuters.com/article/2014/10/24/us-china-aiib-idUSKCN0IDo8U2o141024>>.

25. Since 1994, South Korea has commanded its troops during peacetime, but the U.S. maintains wartime command. A transfer means that South Korea will command its own troops in peace or in war. See "South Korea Wants U.S. to Keep Control over Combined Wartime Defence Forces," *Guardian*, October 9, 2013, <<http://www.theguardian.com/world/2013/oct/08/korea-south-north-us-military-chuck-hagel>>.

been deferred from its scheduled date in 2015 because of North Korea's nuclear threats, as well as the North's protest over anti-Pyongyang leaflet-balloons launched by South Korean civic groups near the Demilitarized Zone. In October 2014, military officials from South Korea and the U.S. agreed to a "conditions-based approach" rather than a specific date for the transfer.²⁶ Meanwhile, South Korea remains on guard, particularly after the discovery of North Korean drones over the South, as well as Pyongyang's launch of two medium-range *Rodong* ballistic missiles following U.S.-South Korea military exercises and the exchange of weapons fire in the wake of the propaganda balloons incident.

Seoul's diplomatic relations with Tokyo have hit an all-time low for recent years. Despite a March 2014 meeting in The Hague between President Park and Prime Minister Abe Shinzo brokered by President Obama, bilateral relations remain strained. The tensions reflect Abe's 2013 visit to the Yasukuni memorial in Japan, which houses the remains of Japanese war criminals as well as ordinary soldiers and citizens who died in service of the country. Tokyo is also reviewing the 1993 government apology by Chief Cabinet Secretary Kono Yohei over Korean comfort women during Japan's wartime militarism.²⁷ Abe opted against visiting the shrine in 2014; further, in September, he requested in writing a series of bilateral summits with Park, to be held alongside international meetings including the APEC (Asia-Pacific Economic Cooperation) meeting in Beijing in November. Notwithstanding, President Park is emphatic that progress must be made over the comfort women and other historical memory issues.²⁸ As long as surveys in South Korea show Abe to be less popular than North Korean leader Kim Jong-un, diplomatic relations are unlikely to mend fast.²⁹

26. "U.S., South Korea Abandon Timeline for Shifting Control of Military Forces in Wartime," *Washington Post*, October 23, 2014, <http://www.washingtonpost.com/world/national-security/us-south-korea-abandon-timeline-for-shifting-control-of-military-forces-in-wartime/2014/10/23/eeg38210-5a23-11e4-b812-38518ae74c67_story.html>.

27. "Japan Enrages South Korea on Comfort Women," *Forbes*, June 22, 2014, <<http://www.forbes.com/sites/donaldkirk/2014/06/22/japan-upsets-south-korea-on-comfort-women-talks-to-north-korea-about-kidnap-victims/>>.

28. "Progress Still Needed on 'Comfort Women' Issue, Park Tells Diet Delegation," *Japan Times*, <<http://www.japantimes.co.jp/news/2014/10/25/national/politics-diplomacy/progress-still-needed-on-comfort-women-issue-park-tells-diet-delegation/#.VFcwQ-dTiBQ>>.

29. "Abe's Charm Fails to Win over Park," *Korea Times*, March 26, 2014, <<http://www.koreatimesus.com/abes-charm-fails-to-win-over-park/>>.

AN AFTERWORD: SOCIAL TENACITY REVEALED

Importantly, the aftermath of the Sewol tragedy shows that Korean society is clear about the need for substantive reforms. Thus, months after the disaster, the victims' families continue to press their demands with the government and President Park, holding regular rallies to maintain public awareness. Equally important, they are joined by other civic and community groups: for instance, as of August 24, 2014, over 24,000 people had joined the hunger strike by Sewol victims' families to demand a thorough investigation.³⁰ This level of public activity and commitment raises hopes that substantive changes are in store for South Korea.

At a minimum, the public is keeping up pressure on the government and the opposition. Thus, official efforts to overhaul the bureaucracy in the aftermath of Sewol have included President Park's pledge to dismantle the Coast Guard, whose botched rescue efforts were blamed for the high death toll.³¹ Public expectations reflect the need for action that goes beyond hollow pronouncements. In this context, the opposition NPAD's failure is instructive: it failed to move the Saenuri Party or stand for the Sewol families. Specifically, notwithstanding its boycott of parliamentary proceedings, the NPAD failed to force the Saenuri Party to change its stance to avoid a special Sewol investigation that could lead to questioning of presidential officials, including the president's chief of staff and advisor, Kim Ki-choon.³² In the face of the Saenuri Party's resolve, the NPAD tried to persuade the Sewol families to accept bipartisan deals that denied their demands for an independent investigation with indictment powers. The saga left the NPAD alliance with little political leverage and even less political capital with the public. Clearly, relevant reforms to South Korean politics and the economy will remain front and center in the coming year.

30. "24,000 People Join in Sewol Hunger Strike," *Kyunghyang Shinmun*, August 25, 2014, <http://english.khan.co.kr/khan_art_view.html?code=710100&artid=201408251652407>.

31. "South Korea Parliament Approves Plans to Disband Coast Guard after Ferry Disaster," *Huffington Post*, November 7, 2014, <http://www.huffingtonpost.com/2014/11/07/south-korea-coast-guard-disbanded_n_6119196.html>.

32. "Families Reject Terms for New Sewol Deal," *Korea JoongAng Daily*, August 22, 2014, <<http://koreajoongangdaily.joins.com/news/article/article.aspx?aid=2993880>>.