



Lee Myung-Bak's victory: political configuration in Korea and Korea-U.S. relations by Kim Jin-Hyun

The Korean economy was a testbed of modernization in the 20th century . . . and it has been a success story. From being one of the poorest countries in the world with a history of cruel colonization by the Japanese followed by peninsular division and a three-year international war, the Republic of Korea has become one of the most successful examples of modern economic growth. There have been a few crises but Korea now has a GNP per capita of over \$20,000 and competes with advanced industrial nations in sectors such as shipbuilding, semiconductor chips, automobiles, and iron and steel manufacturing.

Moreover, it is a testbed in critical future industrial sectors such as the information and communication technology sectors. The ROK is a fully wired nation that has achieved the convergence of internet and mobile technologies such as WIBRO, or wireless broadband networks. It is also competing with human resources, finance, and enthusiasm in the R&D sectors of information technology, nano technology, and bio technology.

Now, South Korea's experiment is reaching into the area of politics as well. Rising above concerns over threats and maneuvering by the military regime in North Korea, rumors of an assassination plot, and criminal charges pressed by the opposition, Lee Myeong-bak(MB), the Grand National Party(GNP) candidate, was voted the new president in December 2007.

The democratic practice of changing power through elections has become irreversible in Korea. Korea has succeeded in its role as a testbed for political evolution, from civil revolution to coup d'etats, from a military government to a civilian government, and from right to left and back to right.

The Republic of Korea is the only country among the 140 or so countries that gained independence after 1945 to have completed 'modernization' in all sectors of its society, such as the economy, industry, politics, human rights, science and technology, higher education, and religious diversity.

MB's election sets Korea up as another kind of testbed. MB is the first businessman and entrepreneur to become the head of state in the long history of Korea. This is not common elsewhere in the world. (The few examples are Thailand's Thaksin Shinawatra and Italy's Silvio Berlusconi and perhaps the United States' George W. Bush). In over 2,000 years of Korean history, a merchant or businessman has never become the head of state or the ruler of a dynasty, even after the founding of the republic in 1948. All presidents since the founding of the country have been politicians, soldiers, or bureaucrats.

MB is the first president to come from the private sector. That is why optimism surrounds his campaign promises of economic growth, new jobs, strengthening the nation's competitiveness, attracting foreign investment, and significantly expanding investment. He started at the lowest rung in the Hyundai group and became CEO, and his elder brother also was the group CEO of Kolon. He is the first ROK president to have family ties through marriage with chaebol groups such as LG and Hyosung and is the richest president ever.

The first official visit he made after his election was to the Federation of Korean Industries (FKI), an organization of Korean chaebols. During his visit, he emphasized that he was "business-friendly" and that business owners should contact him whenever they needed his help. After consecutive visits to various business organizations, foreign business chambers in Korea, finance groups, scientists, and foreign business leaders, he at last visited the conservative labor union organization that had publicly supported his campaign.

Recently, he clarified that his position was "business-friendly" not "businessmen-friendly," but his pro-chaebol and pro-FKI actions are expected to influence his path (for better or for worse). The FKI and business sector have recently requested stricter implementation of legal punishment against illegal union action. In response, leftist unions threatened to engage in a general strike at a level that could "destroy the country's credibility." Such a movement could unite with the movement against the Korea-U.S. free trade agreement (KORUS) to start an anti-MB network.

MB, a devout Protestant, is an elder of a church in Korea that is large even by global standards. He is often compared to his mentor in Hyundai, the late Chung Joo-young, who is called "Bulldozer" in Korea – MB is called "Petite-Bulldozer" by some. This business-friendly president, whose experience as a CEO in the construction sector has ingrained in him diligence, audacity, and the ability to meet problems face-on and whose conservative Christian background has instilled a devoutness, is about to lead a daring policy change to a economy-first, economy-deterministic way of thinking.

The reduction and restructuring of government, the privatization of the education and service sectors, the curbing of bureaucratic red tape and regulation, and providing wider market access to foreign investors are all on the official agenda following his inauguration Feb. 25. Some concrete guidelines have been announced, an open expression of the deep distrust that MB feels for bureaucrats.

MB's biggest concern at the moment is the general election in April. His biggest rivalry is not with the opposition but with party primary rival Park Geun-hye. He must also decide his attitude toward the "old conservatives" such as Kim

Young-sam and Kim Jong-pil, who lent him their political power and regional support during the campaign. If he compromises with these old forces abhorred by the younger generations, he risks being associated with a past that many want to move beyond. Should MB prolong the vested rights of the privileged conservative forces, his presidential term will give power back to the leftist progressive forces and cause the conservatives to start decaying.

Even now, despite the return of the conservatives to power and their joy in MB's victory, special investigations by special prosecutors are being conducted of the two major forces representing conservative interests in Korea. Corruption charges against MB himself are to be investigated until the end of February and Samsung, Korea's biggest and richest chaebol, is also under investigation for illegal fund-raising and stock trading until April.

Whether these two investigations will support or undermine MB's business-friendly policy is critical. If the investigation ends unfavorably to MB, it would compromise his central economic project, the construction of a grand canal connecting Seoul and Busan. The grand canal, in relation to his past construction business interests, could trigger explosive opposition from the anti-chaebol, anti-globalization, anti-conservative, and pro-environment forces.

The key conflict in South Korea today is between MB's economy-first business-friendly policy and the leftwing ideological force that for the first time in Korea's history was in power and has become institutionalized after controlling the presidency for 10 years. Will MB politics be able to do away with Korea's age-old pathology of regionalism and nepotism as well as reform the chaebol system to bring more transparency and accountability? This will determine whether the conservatives will stay in power for a single five-year term or go on to long-term government (founding a new clean conservative mainstream).

MB emphasizes pragmatism in foreign policy. He showed a clear pro-U.S. color quite different from the past government during his campaign and in the order in which he contacted foreign emissaries and heads of neighboring states after his election. He emphasized the principle of reciprocity with North Korea and promised a large-scale aide program to the North, but only based on the premise that Pyongyang gives up its nuclear ambitions. Based on his campaign promises, it is unclear how MB will act if North Korea continues its nuclear ambiguities or declares that it will not abandon its nuclear program. Fortunately, thus far North Korea has shown that it is not in a hurry to test MB. Whether this forbearance is because Pyongyang has not yet decided its position on the nuclear issue or whether it is putting its hopes in economic incentives offered by MB is not yet clear.

It seems that MB will make a drastic turn from the former Roh Moo-hyun administration, taking on an "ABR" (Anything But Roh) policy much like the Bush administration's ABC (Anything But Clinton) policy. The names being discussed at the moment for foreign policy-making positions in the MB administration all point to this possibility. Moreover, the anti-U.S. wave in Korea has peaked and Korean public consensus is becoming more supportive of the alliance.

Even the Korean nationalist leftwing is finally turning away from the pro-North, anti-American paradigm. External realities, such as the stubborn ultra-nationalism of the Koizumi and Abe Cabinets in Japan, China's ambitions for hegemony (which are shown through such examples as its aggressive reinterpretation of ancient history in Manchuria) as well as the substance of economic transactions with China that are hurting Korea's middle and low-income classes have all made Koreans recognize the "realism" behind Korea's cooperation with the United States.

Now, as all survey polls show, anti-Americanism is fading away. It is yet unclear whether the public will go immediately pro-American but this change will provide the MB administration with sufficient momentum to reinforce its pro-American policies. With the building of trust between the two governments in particular through the readjustment of North Korea policies, and if both legislatures ratify the Korea-U.S. FTA, there will be a new opportunity to handle more sensitive issues such as Korea's role in missile defense and the Proliferation Security Initiative as well as the renegotiation of the wartime command structure.

The possibility of the Korea-U.S. relationship becoming a 'value alliance' and expanding to become a 'U.S.-Japan-Australia-Korea Alliance' will become clear when the contents of MB's foreign policy are revealed, especially in diplomacy with China and Japan. As with all campaign promises, the wheeler-dealer rhetoric is expected to yield to more moderate action after the inauguration.

One thing for sure is that in order for MB to become a successful president, he must practice *noblesse oblige* or the role of a *gunja* (gentlemanship) in the Oriental tradition, alongside emphasizing his business-friendly policies and pragmatism. Despite the shining achievements of presidents such as the leader of the nation's founding revolution, Rhee Syngman or the leader of the nation's industrial revolution, Park Chung Hee, Korea has never had a "successful president." All our presidents, including these great revolutionary figures, have met tragic ends such as exile, assassination, or imprisonment of oneself or one's family members on corruption charges.

MB is sure to go in history as an "economy president" based on his background, abilities, and his "business friendly" policies. To become the first successful Korean president, he must also be sure to harbor concilience and integration.

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